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UN Disarmament Conference Opens in Hiroshima

OW1506151292 Tokyo KYODO in English 1450 GMT 15 Jun 92

[Text] Hiroshima, June 15 (KYODO)—The United Nations should explore ways of outmaneuvering efforts by some countries to conceal their nuclear programs, a senior Australian diplomat told a U.N. disarmament conference that began in Hiroshima Monday.

Noting the on-site verification system has many shortcomings, John Gee of Australia's Department for Foreign Affairs and Trade said, "The answer has to be the correct application of the appropriate mix of verification technologies."

"Even then, there are still limitations and they cannot always be relied upon to relieve all," Gee said.

At the first plenary session called Monday to discuss nonproliferation of mass-destruction weapons, Stephen Hanmer, deputy director of the U.S. Arms Control and Disarmament Agency, voiced hope for an indefinite extension of the Nuclear Nonproliferation Treaty (NPT).

Hanmer said, "The United States strongly believes that the NPT should be extended indefinitely and unconditionally in 1995," at a conference of the signatory nations.

The nonproliferation pact, signed in July 1968 and put into effect in March 1970, calls for a conference in 1995 to decide the whether to keep the treaty in force indefinitely or extend it for a limited period.

With the NPT coming under constant fire for maintaining the disparity of nuclear "haves and have-nots," its fate is still unclear, observers said.

Ryukichi Imai, former Japanese ambassador to Mexico, said the NPT has great significance in the post-cold war era.

Rolf Ekeus, executive chairman of the U.N. special commission on the abolition of Iraq's mass-destruction weapons, pointed to the importance of beefing up the role of the International Atomic Energy Agency for stricter implementation of the NPT.

However, he advocated prudence when the agency conducts nuclear safeguard checks, just as it did in Iraq, so as not to encroach on the sovereignty of countries.

He said the U.N. special commission intends to have demolished Iraq's chemical and biological weapons totaling 50,000 tons by the end of the year.

At the opening of the conference, Prvoslav Davinic, director of the U.N. Office for Disarmament Affairs, said significant disarmament and arms control could be achieved by first establishing transparency in possession and movement of weapons.

Hiroshima Gov. Toranosuke Takeshita urged the participants to take action for a global consensus-building on the entire elimination of nuclear arms.

Takashi Hiraoka, mayor of Hiroshima, asked the U.N. to choose the city as the venue for the fourth U.N. special session on disarmament in 1995, the 50th anniversary of its atom bombing.

The mayor said he hopes the current conference will engender sincere exchanges of views to effect eternal global peace and stability.

Speaking for the Japanese Government at the opening ceremony, Mitsuro Donowaki, former Japanese ambassador to the conference on disarmament in Geneva, touched on the need to strengthen "political dialogue for mutual reassurance" to boost regional cooperation.

The U.N. talks will not adopt any resolutions or make any formal appeals, so as to facilitate free debate among the participants.

At the second and third plenary sessions Tuesday, the conference is scheduled to focus on confidence-building in the Asia-Pacific region.

Security Cooperation Highlighted

OW1606133692 Tokyo KYODO in English 1238 GMT 16 Jun 92

[By Takehiko Kajita]

[Text] Hiroshima, June 16 KYODO—Confidence-building and cooperation on new security arrangements in the Asia-Pacific region grabbed the spotlight at the United Nations Conference on Disarmament Issues here Tuesday.

James Cotton, professor at Australian National University, told the gathering that the policy of constructive engagement between the two Koreas is probably the safest and surest way to security on the Korean peninsula.

The application of pressure by outside states might be counterproductive, he said.

Carolina G. Hernandes, professor of political science at the University of the Philippines, focused on the need for strengthening security dialogue among Asian nations in connection with the Indochina peace process.

Many speakers at the conference agreed on the areas in which confidence-building measures should be applied, according to a U.N. official who briefed reporters.

Among these were areas where political, ethnic and economic differences are especially vast, the official said.

For example, Mohamed Amir Jaafar, high commissioner of Malaysia to India, called for the development of people-to-people contacts to reduce social and ethnic tensions among states, particularly in south Asia.

Meanwhile, Roland Timerbaev, professor at the Monterey Institute of International Studies, voiced concerns over the presence of industrial infrastructure capable of producing weapons of mass destruction in newly independent central Asian states.

But the professor said the international community can encourage such states to join in security dialogues with other regions.

Mark Hong, deputy permanent representative of Singapore to the U.N., raised the question of whether a continued U.S. presence in Asia will lead to regional stability.

Some participants echoed him in expressing skepticism on the U.S. role as a moderating force in Asia in the post-Cold War era.

Hong also called on European and Asian countries to develop cooperative security approaches to stability in Asia.

Participants in Tuesday's session also dealt with the remaining hostilities between North and South Korea, as well as the role of the U.N. in the region.

Mahathir Urges Restructuring UN Security Council

BK1206113892 Kuala Lumpur BERNAMA in English 0809 GMT 12 Jun 92

[By Kuah Guan Oo]

[Text] Rio de Janeiro, June 12 (BERNAMA)—Malaysian Prime Minister Dr. Mahathir Mohamed Thursday called for the restructure of the United Nations' Security Council and removal of the veto power to make the council representative of the powers of today.

"I don't see why the last great war should influence us forever," he said in an interview with the Inter Press Service (IPS) news agency that produced a paper "TERRA VIVA" at the Earth Summit here.

Dr. Mahathir said there was some justification for the Security Council (with the veto power confined to five major powers) in the period just after World War II. The five powers are the United States, the United Kingdom, France, Russia (formerly the Soviet Union), and China.

"But now, after such a long time, 50 years or so, we cannot be governed by what happened during that period.

"So, the Security Council has to be reshaped or restructured so as to be representative of the powers of today, including the not-so-powerful and Third World countries," he added.

Dr. Mahathir also said that the problem faced by the developing countries at the Earth Summit, formally known as UNCED (UN Conference on Environment and Develompment), is that the North is not prepared to share the "levers of power."

The prime minister had recently lashed out at the developed nations for controlling the international agencies like the United Nations Security Council, the World Bank, and the International Monetary Fund—levers of power—in order to dictate to the South countries.

"On the one hand, they talk about democracy and the need for us (the Third World) to practise democracy but, on the other hand, when it comes to international democracy, there is no one-country one-vote, it is a question of how strong you are," he said.

On the question of a Third World news agency, he said it was not a new idea, and that developing countries did not have the money to set up such an agency.

"As a result, we are all dependent on news from the North and such news is often very biased .... news which is distorted or misinformation.

"We have stories on Malaysia which are wrong and so we assume that if what they report on Malaysia is wrong, what they report on the South countries must be wrong," he added.

ROK Premier Signs Two Treaties at Earth Summit

SK1406082092 Seoul YONHAP in English 0800 GMT 14 Jun 92

[Text] June 14, Rio de Janeiro (YONHAP)—South Korean Premier Chong Won-sik attending at U.N. Earth Summit in Rio de Janeiro signed Saturday [13 June] afternoon a landmark treaty protecting the diversity of wildlife species and a treaty preventing climate change, shifting the government's original policy.

The government at first planned to suspend the signature accepting some critical opinions that it needs the agreement of the State Council and may exert a bad influence upon Korean economy.

The sudden signature followed just after Chong held a urgent meeting of Korean delegation earlier in the day to cope with the unexpected situation that more nations than expected signed the treaties.

Chong's signature was 152nd in the weather treaty and 154th in the landmark treaty.

"Chong's signature seemed to be affected by the elimination of the clause that each government should stabilize the emission of carbon dioxide to the level of 1990 by 2000 and the fact the United States signed the treaties," a Korean participant said.

Premier Chong is scheduled to fly to Buenos Aires Monday morning for an official visit to Argentina after he participates in the closing ceremony of the Rio summit Sunday.

Japan

Foreign Ministry Welcomes EC's Policy Statement

OW1606131092 Tokyo KYODO in English 1139 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—A senior foreign ministry official welcomed Tuesday a policy statement adopted Monday by the European Community urging Japan to open its market further and induce a higher yen to help reduce its trade surplus.

"We welcome it because it stresses the importance of political dialogue and the content of it looks more positive than a draft version in the past," the official said on condition of anonymity.

He described the requests for increased domestic demand and a higher yen as "still severe," but was quick to cite as a bright spot the statement's reference to the purpose of trade talks not being to set volume targets.

Bush Plan To Discuss Islands With Yeltsin Hailed

OW1606093492 Tokyo KYODO in English 0908 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—Japan welcomed Tuesday U.S. President George Bush's plan to bring up the subject of Japan's territorial dispute with Russia in his talks with Russian President Boris Yeltsin.

"The United States understands and supports our position on the territorial dispute. We are taking special note of how the talks develop," Chief Cabinet Secretary Koichi Kato told a news conference.

Bush was expected to discuss the dispute during summit talks with Yeltsin in Washington on Tuesday.

Kato said it appeared that the U.S. was giving more prominence to the dispute over the four islands off of Hokkaido than it has in the past.

He said the emphasis reflects U.S. expectations of Japanese economic assistance to Moscow, U.S. concern for promoting democracy, and efforts by ruling Liberal Democratic Party Vice President Shin Kanemaru to gain U.S. support during a meeting with Bush earlier this month.

"This is not a bilateral issue, but a matter of concern to all democratic countries (that value) law and justice. I think it is from this perspective that (the U.S.) will address the matter," Kato said.

Japan has said it cannot provide substantial economic support to Russia unless a resolution is found to the dispute that has impeded relations since World War II.

Prime Minister Kiichi Miyazawa, referring to Yeltsin's planned September visit to Japan, said in a speech earlier Tuesday that now is "the right time" to resolve the issue.

Central Asian Republics Seek Increased Aid

OW1506072192 Tokyo KYODO in English 0704 GMT 15 Jun 92

[Text] Tokyo, June 15 KYODO—Three Central Asian republics of the Commonwealth of Independent States (CIS) have asked Japan to increase its investment and boost its trade with them, officials of the Ministry of International Trade and Industry (MITI) said Monday.

Kazakhstan, Uzbekistan, and Turkmenistan called for Japan's cooperation in switching to a market economy when a mission from the ministry visited the three republics to conduct a field survey from May 22 through June 2, the officials said.

Aiming at strengthening economic and technological cooperation, the 17-member mission, headed by Akihiro Masuda, Technical Cooperation Division director of MITI's International Trade Policy Bureau, met top government officials and ministry officials of the three former Soviet republics.

Among the requests by these republics were technical and financial assistance to cope with environmental problems, and investment to develop infrastructures like railways and airports, the officials said.

Tokyo To Train CIS Nuclear Plant Technicians

OW1606121792 Tokyo KYODO in English 1138 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—Japan will accept and train 50 nuclear technicians from the Commonwealth of Independent States (CIS) and Eastern Europe this fiscal year, an official of an electric power company said Tuesday.

The training program is part of the Ministry of International Trade and Industry's plan to accept and train about 1,000 CIS and East European nuclear technicians within a period of 10 years, he said.

The program is part of the government's efforts to improve the management of operations at the nuclear power plants in the CIS and Eastern Europe, he said.

For the first year, the government will train the highest-ranking officials from plants in Russia, Ukraine, Czechoslovakia, and Bulgaria, he said.

Each group will have a maximum of 10 trainees, who will train for about 10 days at nuclear power plants, the operation training centers of Japan's electric power companies, maintenance centers, and heavy electrical machinery makers that manufacture nuclear power plants, he said.

In the future, the training program will probably be extended to maintenance personnel from the CIS and Eastern Europe, he said.

Tokyo Agrees With China on Money Order System

OW1606102792 Tokyo KYODO in English 0946 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—Japan and China agreed Tuesday to set up a bilateral postal money order system starting in August, Japanese Posts and Telecommunication Ministry officials said.

The agreement was reached by the ministry and Xie Gaojue, visiting Chinese vice minister of posts and telecommunications, to commemorate the 20th anniversary of the normalization of Sino-Japanese diplomatic ties, the Japanese officials said.

Once the system is in effect, money can be sent from Japan to China through post offices at relatively lower fees.

For instance, sending 100,000 yen to China through the system will incur a charge of 1,000 yen. Private financial institutions uniformly charge 2,500 yen for sending up to 500,000 yen.

Japanese and Chinese who want to send small amounts of money to the other country will welcome the postal system, the officials said.

The two countries also agreed to each issue commemorative stamps for the 20th anniversary and set up an annual meeting between their respective posts and telecommunications authorities.

The first such meeting will be held in Beijing next year.

Book Distributor Wins Commendation From PRC

OW1606092892 Tokyo KYODO in English 0827 GMT 16 Jun 92

[Text] Beijing, June 16 KYODO—A major Japanese book distributor has won a commendation from China for donating 94,000 books worth 350 million yen to the country over the past 10 years, government officials said Tuesday.

China's Ministry of Culture commended Nippon Shuppan Hanbai Inc. for its cultural contribution to China, the officials said.

They said the donated publications, largely used by Chinese Japanologists, are on display at a Japanese library in the National Library of China in Beijing, the country's biggest library.

DPRK Criticizes Peacekeeping Cooperation Law

OW1606120692 Tokyo KYODO in English 1133 GMT 16 Jun 92

[Text] Beijing, June 16 KYODO—North Korea's charges d'affaires in Beijing on Tuesday blasted Japan's newly enacted United Nations Peacekeeping Cooperation Law, saying the people of Asia will never forgive Japanese militarism.

Yong Jae-pae told reporters major economic power Japan is seeking to also become a political and military power by dispatching its Self-Defense Forces overseas in the name of cooperation with the United Nations.

Tokyo ended 20 months of debate Monday evening with the House of Representatives passing the controversial bill that will permit the dispatch of ground troops overseas to take part in U.N. peacekeeping operations.

Jae-pae called on Japan to acknowledge its "crimes of the past" in negotiations between Tokyo and Pyongyang to establish diplomatic relations, saying "the past should be properly settled."

Korea suffered under its 1910-1945 colonization by Japan.

Peacekeeping Law Gets Guarded ASEAN Welcome

OW1606073792 Tokyo KYODO in English 0655 GMT 16 Jun 92

[Text] Kuala Lumpur, June 16 KYODO—Southeast Asian countries invaded by Japan during World War II expressed a guarded welcome Tuesday for a new law allowing Japanese troops to serve in United Nations peacekeeping missions abroad.

The governments of member countries of the Association of Southeast Asian Nations (ASEAN) have generally welcomed the bid by Japan, the biggest regional foreign investor, to expand its international profile.

The passing of the bill by the Diet Monday paves the way for Japanese troops to participate in U.N. Peacekeeping operations in Cambodia, which will be the first overseas deployment of Japanese troops since the war.

But while there has not been any outright rejection of the peacekeeping law by Southeast Asian states, the statements of welcome have been tempered with reservations about the possibility of a revival of the militarism of the 1930s in Japan.

Only Thailand, which collaborated with Japan in the war and was thus spared occupation by the imperial army that was experienced by neighboring countries, warmly welcomed the bill.

Thai Foreign Ministry officials said Japan's peacekeeping role was long overdue, and they dismissed fears of rising militarism, saying safeguards in the law will prevent this.

Singapore, with its majority Chinese population, has sounded the most caution over the prospect of seeing Japanese soldiers abroad, albeit on U.N. peace missions.

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

A Singapore Foreign Ministry official suggested Japan keep itself on the "back seat" of U.N. missions to avoid militarization.

"It is better that Japan contributes to the tail and not the teeth, even in U.N. operations," he said.

Malaysian Prime Minister Mahathir Mohamad supported Japan's participation in peacekeeping, provided its forces remain within the U.N. ambit.

"It is natural for Japan to cooperate, including involvement in fighting, as long as it is under a U.N. command," he said.

This view is echoed by Indonesia.

Foreign Minister Ali Alatas, describing the bill as a domestic Japanese affair, said Jakarta is not opposed as long as the troops are under strict U.N. command.

A spokesman for Philippine President Corazon Aquino said the Japanese force posed little threat to the region, but said that Filipinos who lived through the war will have reservations.

"There is very little to fear about Japan returning as a military power," the spokesman said, citing Japan's war-renouncing Constitution, drawn up after the war, as a guarantee against this.

The peacekeeping law allows up to 2,000 personnel of Japan's Self-Defense Forces to be dispatched overseas on U.N. missions, but they will be restricted to noncombatant roles such as monitoring cease-fires or in logistics operations.

The law, which will be reviewed in three years, bans the forces from operations that might involve military action, although it allows troops to carry light arms for use in self-defense.

Cabinet Minister Views TV Coverage of PKO Law

OW1606124092 Tokyo KYODO in English 1217 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—A cabinet minister on Tuesday objected to weapon-studded television coverage of a new law enabling Japanese troops to go overseas on peacekeeping missions.

Home Affairs Minister Masajuro Shiokawa told a cabinet meeting that footage in the news reports, showing missiles and tanks, invites misunderstanding of the role of future Japanese peacekeepers, the government's top spokesman said.

"I would like the posts and telecommunications minister to discuss this with each television company," Shiokawa said, according to Chief Cabinet Secretary Koichi Kato.

The posts minister has jurisdiction over broadcasting licences.

But Kato told reporters the government does not plan to take any action against broadcasters.

Several ministers agreed that the government needs to launch a public relations campaign to win public support for peacekeeping missions, Kato said, adding that he agreed with that position.

The Diet passed the peacekeeping law Monday, paving the way for Japanese ground troops to be dispatched overseas for the first time since World War II. But it limits Self-Defense Forces personnel to nonmilitary roles and allows them to carry only small arms to protect themselves.

In addition, the Diet must pass further legislation before soldiers would be allowed to help monitor cease-fires and engage in activities that could lead to exchange of fire.

Miyazawa To Send Preparation Team to Cambodia

OW1606142692 Tokyo NHK General Television Network in Japanese 0300 GMT 16 Jun 92

[From the "NHK News" program]

[Text] The UN Peacekeeping Operations [PKO] Cooperation Bill became law yesterday. In the wake of the passage of the bill, Prime Minister Kiichi Miyazawa, in a cabinet meeting today, disclosed a plan to dispatch as early as possible a survey team composed of government officials to Cambodia to study what Japan can do for peace in Cambodia. He then sought the cooperation of those agencies and ministries concerned.

During the meeting, Prime Minister Miyazawa first thanked the cabinet members for their cooperation and efforts in the passage of the PKO bill. He then said that cooperation in achieving peace in Cambodia was an imminent issue. However, the prime minister added the situation in Cambodia remains complicated and unclear. He said that because this will be Japan's first international contribution, the government, following consultations with concerned agencies and ministries, should immediately send a survey team to Cambodia to see what the people in Cambodia expect of Japan. In doing so, he said he will be seeking the cooperation of all agencies and ministries concerned, including the Home Affairs Ministry, Transport Ministry, and Defense Agency [DA].

In response, Home Affairs Minister Masajuro Shiokawa pledged his ministry would cooperate as much as possible. He said that the ministry would cooperate in the nonmilitary arena with such measures as monitoring elections and domestic affairs administration in Cambodia. Also, the Fire Defense Agency will cooperate in conducting emergency rescue and disaster prevention operations, and the National Police Agency will offer expertise as well as conduct surveillance, Shiokawa said.

The government plans to inaugurate a preparatory committee for promoting international peace cooperation on 23 June. The committee will hear plans to cooperate from each agency and ministry and prepare for the dispatch of international peace cooperation units to Cambodia.

At a news conference following the cabinet meeting, DA Director General Sohei Miyashita said that the dispatch of Self-Defense Forces [SDF] units to Cambodia to join so-called logistical support efforts would be made in a prudent manner only after a system for the dispatch was established.

[Begin Miyashita recording] I believe that the PKO Law will primarily be evaluated according to what SDF units do in Cambodia and how they contribute to peace there. Therefore, I hope that a firm system will be established first so that the units to be dispatched can engage in their missions without any obstacle. The dispatch should not be based on the rough-and-ready method. [end recording]

Director General Miyashita said that high-ranking SDF officers, who carry no weapons, will be allowed to participate in cease-fire monitoring teams. Therefore, it is possible that they will be dispatched at a relatively early date, Miyashita said. In this way, he indicated that if the PKO Law comes into effect at the end of July, the DA would dispatch top officers to have them join a cease-fire monitoring team.

Meanwhile, in an effort to win the understanding of Asian nations, including China and South Korea which have asked Japan to deal cautiously with the issue of dispatching SDF personnel overseas, the Foreign Ministry plans to give these countries detailed briefings on the PKO Law via diplomatic channels. The ministry is to send instructions to Japanese ambassadors overseas and ask them to explain the contents of the PKO Law to each nation's foreign affairs authorities. The ministry also is considering directly briefing the Chinese and South Korean ambassadors to Japan by inviting them to the ministry. Both nations have been especially critical of Japan's dispatch of SDF members overseas.

In the briefings, the ministry will give the two countries detailed information on the PKO Law. It will explain that SDF units to be dispatched overseas will engage in peaceful activities, such as humanitarian relief operations and operations designed to prevent a recurrence of conflict, and that the participation in peacekeeping forces is frozen for the time being. The ministry hopes that it will win international understanding concerning the PKO Law by removing anxiety that the participation in PKO missions will open the way for the Japanese Government to dispatch SDF troops overseas. Also, the ministry will send Councillor Nomura of the PKO Preparatory Committee and other officials in charge of the PKO Law to the United Nations today and let them discuss measures with UN officials to promote cooperation.

DA Plans To Seek Amendments to SDF Law

OW1606041292 Tokyo KYODO in English 0353 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—The Defense Agency [DA] plans to seek amendments to the the Self-Defense Forces (SDF) Law to make international cooperation one of its major missions, agency sources said Tuesday.

The agency will promote studies on the plan following the Diet's enactment Monday of the U.N. Peacekeeping Cooperation Law, which will allow SDF personnel to join United Nations peacekeeping operations, the sources said.

They said the agency considers a Japanese contribution to the United Nations more important than ever now that the cold war has ended.

The Defense Agency is to propose the addition of a new clause concerning the Japanese contribution to the United Nations to the 1976 defense program outline, which serves as Japan's basic defense policy.

The outline calls for establishing armaments to make the SDF capable of repulsing small and limited-scale aggression by its own efforts. It contains no mention of the SDF's international contribution.

The agency also wants the clause added to the SDF Law, the sources said.

Meanwhile, anticipating the possible dispatch of SDF personnel to join U.N. peacekeeping operations in Cambodia, the Ground Self-Defense Force has estimated a cost of 18 billion yen for its operations in the U.N. Transitional Authority in Cambodia (UNTAC).

The estimate is based on sending about 500 troops to Cambodia by next spring, but does not include their wages or the cost of food.

SDP To Boycott Future Lower House Sessions

OW1606095392 Tokyo NHK General Television Network in Japanese 0300 GMT 16 Jun 92

[From the "NHK News" program]

[Text] The Social Democratic Party [SDP] plans to keep demanding that the resignations submitted by SDP Diet members be accepted. It also plans to boycott future lower house sessions, including deliberations on the political reform issue, to protest the Liberal Democratic Party's [LDP's] and other parties' management of the Diet, which led to the voting on the PKO [UN peacekeeping operations] bill.

The SDP intends to hold emergency meetings of its Central Executive Committee and its Diet members this afternoon to reaffirm its hard-line stance. At the same time, the party plans to stage a rally of approximately 10,000 people in Tokyo late this afternoon on opposing the dispatch of the Self-Defense Forces [SDF] abroad and calling for the lower house dissolution and general election.

The SDP plans to ask all SDP members to return to their constituencies after the rally and launch a campaign to call for the lower house's dissolution and general election.

As to how the SDP Diet members' resignations should be handled, Keisuke Nakanishi, chairman of the House

Committee on Rules and Administration, made the following comments at a meeting of LDP party executives today: "Concerning the SDP Diet members' resignations, the speaker can make a decision at the conclusion of the Diet session. Nevertheless, their resignations will most likely be sent back to the SDP or rejected at the plenary session."

Miyazawa's Televised Summit Speech Canceled

OW1406011892 Tokyo KYODO in English 0105 GMT 14 Jun 92

[Text] Rio de Janeiro, June 13 KYODO—Japan did not air Prime Minister Kiichi Miyazawa's recorded speech at the Earth Summit because of objections by United Nations Secretary General Butrus Butrus-Ghali, UN and Japanese sources said Saturday.

In the televised speech, Miyazawa was to announce that Japan will provide 1 trillion yen to developing countries over five years starting this year to help them protect the environment.

Miyazawa, who could not attend the summit due to the busy parliament schedule at home, originally was to address the earth summit via television Saturday morning, Japanese officials said.

The Earth Summit secretariat and the government of Brazil had accepted the Japanese plan, the officials said.

Butrus-Ghali, a veteran Egyptian diplomat, however, opposed it, noting that there had been no precedent of allowing a UN member state to make a videotaped address, UN sources said.

The United Nations instead allowed Japan to distribute copies of Miyazawa's speech to delegates at the Earth Summit, officially known as the UN Conference on Environment and Development (UNCED), which opened in Rio June 3 and ends Sunday.

Miyazawa was scheduled to be the fifth speaker of the Saturday morning session, shortly after 10 A.M., following a speech from the Mauritanian prime minister.

Brazil's President Fernando Collor de Mello, who chaired the session, announced the next speaker would be Djibouti's prime minister, and not Miyazawa as scheduled.

Collor gave no explanation for the change, which appeared to take Japanese officials by surprise.

Japanese Government delegate Masaki Senoo said later the Japanese government is still continuing efforts to ask the United Nations to allow the airing of Miyazawa's speech.

Japanese delegation spokesman Sadaaki Numata and several other Foreign Ministry officials stood, portable phones in hand, in the central lobby of the conference center relaying sparse information to a growing knot of Japanese and other media Saturday.

After telephoning the Japanese delegation's main office, Numata said the delay appeared to be caused by a technical problemn but could not give a guarantee of when it would be solved. "People on the technical side are working on it," he said.

UN 'Misunderstanding' Alleged

OW1406111592 Tokyo KYODO in English 0918 GMT 14 Jun 92

[Text] Tokyo, June 14 KYODO—Misunderstanding among United Nations officials—not botched Japanese diplomacy—prevented Prime Minister Kiichi Miyazawa from making a speech by videotape to the Earth Summit, the government's top spokesman said Sunday.

The speech, announcing that Japan would take the international lead with a 1 trillion yen contribution to global environmental cleanup over five years, was nixed at the last minute Saturday by UN Secretary General Butrus Butrus-Ghali.

Chief Cabinet Secretary Koichi Kato told a hastily convened press conference Sunday the cancellation resulted from a misunderstanding between the UN Secretariat and organizers of the UN Conference on Environment and Development in Rio de Janeiro.

"This is not a big blunder on the part of Japan," as suggested in some media reports, Kato said.

Summit organizers suggested Miyazawa send a taped speech to Rio after it became clear he would stay in Tokyo on Diet business and miss the summit, Kato said.

The spokesman said he did not know why Butrus-Ghali objected to the video presentation, but UN sources said the secretary general was worried about setting a precedent of allowing UN member states to skip conferences and make videotaped addresses.

Miyazawa, replying to criticism that his absence would call Japan's environmental leadership into question, told reporters he would "do the obvious things that should be done."

Video participation in such conferences should be a topic for UN debate, Kato said.

Japan has already received praise from foreign governments for the pledge of 900 billion to 1 trillion yen (7 billion to 7.7 billion dollars) in Official Development Assistance, Kato said.

The text of Miyazawa's speech was distributed at the summit, attended by more than 100 world leaders.

Tokyo Pledges Environment Aid to Mexico, Brazil

OW1406014092 Tokyo KYODO in English 0121 GMT 14 Jun 92

[Text] Tokyo, June 14 KYODO—Japan has pledged some 11.4 billion yen in environmental assistance loans to Mexico and Brazil, the Foreign Ministry announced Sunday.

Officials said the aid represents the first phase of Japan's goal announced at the Earth Summit in Rio de Janeiro to expand its bilateral and multilateral Official Development Assistance (ODA) for environmental protection.

Prime Minister Kiichi Miyazawa pledged in a message prepared for distribution at the summit that Japan would commit around 900 billion to 1 trillion yen (7 to 7.7 billion dollars) during a five-year period that began in April.

Officials said Japanese diplomats at the Earth Summit on Saturday handed a letter from Miyazawa to Mexican President Carlos Salinas de Gortari pledging 1.4 billion yen in ODA loans to his country for a reforestation project.

Another letter from Miyazawa was given to Brazilian President Fernando Collor de Mello with a pledge of 9.9 billion yen in ODA loans for water cleaning projects.

Tax Exemptions Sought for Environment Donations

OW1606104192 Tokyo KYODO in English 0959 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—Former Prime Minister Noboru Takeshita told industrialists Tuesday he will seek to have tax exemptions introduced this year for charitable donations to environmental causes.

Takeshita at the same time threw cold water on proposals for an environment tax, declaring that such a tax is unlikely to win public backing in the near future.

European countries have been seeking international support for a "carbon tax" aimed at reducing emissions of the key gas contributing to global warming.

In a speech before a business forum on biotechnology, Takeshita urged the private sector to establish foundations to promote environmental research, transfers of pollution control technology to developing countries, and funding of private environmental groups.

Takeshita said he hoped measures could be introduced this year that would enable tax-free donations to such foundations.

Takeshita also voiced support for tax incentives to industries that invest in energy-saving equipment.

Takeshita, a key figure in Japan's effort to raise funds for environmental protection, returned to Japan earlier this month from the Earth Summit in Rio de Janiero.

UN Official Shot To Death in Pakistan 14 Jun

OW1406144792 Tokyo KYODO in English 1440 GMT 14 Jun 92

[Text] Tokyo, June 14 KYODO—A Japanese United Nations official was shot to death Sunday in Peshawar, Pakistan, the Foreign Ministry said.

Kimio Kasashima, 38, was shot in front of his house, the ministry said.

Ministry Concerned Over Slaying

OW1506091992 Tokyo KYODO in English 0904 GMT 15 Jun 92

[Text] Tokyo, June 15 KYODO—The Japanese Government is deeply concerned over the killing Sunday of a Japanese national working for the United Nations in Pakistan, Foreign Ministry officials said Monday.

Officials said the Japanese Embassy in Islamabad has conveyed Japan's concern to Pakistan's Foreign Ministry regarding the shooting of Kimio Kasashima, a 38-year-old mechanical engineer involved in Afghan refugee relief work with the UN Logistics and Transport Operation (UNILOG).

Kasashima was found dead by his wife shortly after noontime in the driver's seat of his white UN Land Cruiser outside the couple's home in the northern city of Peshawar.

It was the first slaying of a Japanese working for the United Nations, the ministry said.

Kawashima's murder occurred amid contentious debate in Japan over proposed legislation that would increase the number of Japanese personnel sent to risky areas abroad under the UN's umbrella.

Japanese diplomats were quoted as telling Pakistan's Foreign Ministry that Japan is "extremely unhappy" about the "regrettable" occurrence and wants to see a thorough investigation carried out.

Officials said Pakistani authorities have promised to do everything possible to bring the assailants to justice. No group has yet claimed responsibility for the killing.

Kasashima, who once served as a Japanese Government youth volunteer in Nepal, had been working for UNILOG in Peshawar since March 1990.

He supervised the maintenance and repair of 120 large trucks the Japanese government has provided to the UN for its supply operations in Afghanistan.

Officials said that according to a report from the Japanese Embassy, Kasashima was probably killed almost instantly, judging from the severe damage inflicted on his head by the blast.

His Nepalese wife, Darga, was said to have arrived in tears at a nearby International Red Cross hospital pleading for help.

Officials said it appears that Kasashima was shot as he was returning to his house, though the incident could have occurred as he was leaving.

UNILOG is jointly run by the World Food Program and the UN High Commissioner for Refugees (UNHCR) as an operation of the office for the coordination of UN humanitarian and economic assistance program relating to Afghanistan (UNOCA).

Police Report No Clues in Murder

OW1506152692 Tokyo KYODO in English 1513 GMT 15 Jun 92

[Text] Islamabad, June 15 (KYODO)—Police said Monday they had no clues to the murder of 38-year-old Japanese mechanical engineer Kimio Kasashima, who was shot outside his Peshawar home Sunday.

They said a post mortem has been performed on Kasashima's body at a Peshawar hospital.

Kasashima, from Saitama Prefecture near Tokyo, was found by his Nepalese wife lying in a pool of blood in his vehicle.

He was apparently killed within a few minutes of coming out of his house after lunch and when he was about to drive off, police said.

Newspaper reports said Monday that Kasashima was killed by a single shot fired from a pistol by somebody standing very close to driver's seat.

Kasashima had worked with the World Food Program in Pakistan since 1990 and joined the United Nations Office for the Coordination of Humanitarian and Economic Assistance for Afghanistan in Peshawar since January.

This is first time during the long Afghan war a foreigner working for a United Nations office has been killed.

Police reportedly found a chadder (coarse shawl) worn by male Pathans, an Afghan ethnic group, in the front seat and said there are indications Kasashima was killed by somebody known to him.

Fax Service on Overseas Company Risk Planned

OW1506061292 Tokyo KYODO in English 0550 GMT 15 Jun 92

[Text] Tokyo, June 15 KYODO—A subsidiary of KYODO News Service said Monday it will start a new service on July 1 to keep companies informed of overseas risk.

K.K. KYODO News Service said the Japanese-language service, operating Monday through Friday, will be sent by facsimile, and will amount to about 30 items a day.

It will provide news, analyses, and forecasts, and include coverage of political instability, riots, terrorist activities, kidnappings, crimes, natural disasters, and major accidents in countries and regions where Japanese companies operate.

KYODO said the service, for which subscribers will pay a monthly fee of 150,000 yen, will be the first of its kind in Japan.

It said clients will be able to request detailed information on specific subjects or countries, and the service will also provide additional information to help clients faced with a kidnapping or terrorist action involving their employees.

Last year, three employees of the Japan International Cooperation Agency (JICA) were shot and killed in Peru and two employees of Japanese electronics giant Toshiba Corp. were kidnapped in Colombia.

This year, Japanese companies have been affected by a terrorist bombing in London's financial district and riots in Los Angeles.

Meeting Held To Discuss Political Reform Issue

OW1606105292 Tokyo NHK General Television Network in Japanese 0300 GMT 16 Jun 92

[From the "NHK News" Program]

[Text] Executive members of the Liberal Democratic Party [LDP] confirmed today that the party would seek cooperation from the Social Democratic Party of Japan [SDPJ] and other opposition parties, in settling the issue of political reform at the current Diet session.

In the wake of yesterday's passage of the UN Peacekeeping Operations Bill, an executive meeting was held today. At the meeting, LDP members exchanged opinions about the coming Diet session.

Seiroku Kajiyama, chairman of the LDP's Diet Affairs Committee, said that there were not many days left for deliberation on political reform, another major issue to be discussed at the current Diet session. He said that since it was impossible to promote deliberations on the issue without the attendance of the SDPJ, the LDP should seek cooperation with Social Democrats and other opposition parties to settle the political reform issue at the current Diet session.

Also, at a meeting of the four top LDP executives, which was held after the executive meeting, Takashi Hasegawa, chairman of the LDP Political Reform Headquarters, said that the ruling and opposition parties had already agreed on some points of political reform, including revising the political fund control law.

He then asked other executive members to make concerted efforts to settle the issue at the current Diet session.

In response, the three other top executives confirmed that they would ask the SDPJ and other opposiion parties to cooperate in settling the political reform issue.

Telecommunications Ministry To Undergo Reshuffle

OW1606083992 Tokyo KYODO in English 0750 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—Posts and Telecommunications Minister Hideo Watanabe decided Tuesday to shortly carry out the ministry's first large-scale personnel reshuffle in eight years, ministry officials said.

The reshuffle will be authorized and implemented next Tuesday.

The officials said Tetsuo Morimoto, director general of the Telecommunications Bureau, will succeed Taizo Nakamura as administrative vice minister. Nakamura will retire from the ministry.

Futoshi Shirai, director general of the Communications Policy Bureau, will assume the post of telecommunications bureau director general.

Haruki Matsuno, director general of the Postal Savings Bureau, will head the Communication Policy Bureau.

Akemi Yamaguchi, director general of the Finance and Accounting Department, will take over as chief of the Postal Savings Bureau.

Masahiro Kinoshita, deputy vice minister in the minister's secretariat, will become Director General of the Broadcasting Administration Bureau.

Kazutaka Ueno, head of the Kanto Bureau of Postal Services, will be promoted to the office of postal bureau director general.

Akimasa Egawa, chief of the Procurement and Supply Department, will become director general of the Post Office Life Insurance Bureau.

Deputy Minister for Policy Coordination Mitsuo Igarashi will assume the post of deputy vice minster in the minister's secretariat.

Toyotaro Kato, councillor in the minister's secretariat, will become director general of the Personnel Department, replacing Masahito Tani, who will become deputy minister for Policy Coordination.

The ministry is also considering merging the Finance and Accounting Department with the Procurement and Supply Department. Tadayuki Arai, deputy head of the Postal Servings Bureau, will be named director general of the new department.

The ministry is also planning to set up a new department for international affairs, for which a formal name is not yet decided. Shuji Kusuda, director general of the Kyushu Bureau of Postal Services, will head the new international department.

Ministry Considers Boosting Capital Gains Tax

OW1306102392 Tokyo KYODO in English 0928 GMT 13 Jun 92

[Text] Tokyo, June 13 KYODO—The Ministry of Finance is considering raising capital gains tax rates for large-lot stock transactions, ministry sources said Saturday. The sources said this comes in response to persistent criticism among individual investors that major institutional investors are being treated favorably under the tax system.

Investors can choose either a 1 percent withholding tax or income tax. Almost all investors opt for withholding tax, which is paid to brokerage houses when they sell their holdings. Because the withholding tax rate is applied uniformly to capital gains, major investors are considered at an advantage.

The ministry intends to raise the capital gains tax rates on large-lot stock transactions in fiscal 1993 after discussion at the government's tax commission, the sources said. The securities industry, however, may raise strong objections because it is suffering from faltering domestic stock prices.

Pretax Profits Post Largest Decline in Decade

OW1506094192 Tokyo KYODO in English 0915 GMT 15 Jun 92

[Text] Tokyo, June 15 KYODO—Japanese corporate pretax profits plunged 14.7 percent in the January-March quarter, marking the largest year-on-year decline in more than a decade, the Ministry of Finance said Monday.

Capital investments by companies during the period also fell by 1.6 percent from a year earlier, the first drop in more than five years, the ministry said.

The drop in pretax profits was the sharpest since the April-June quarter of 1981, when they fell 19.9 percent, and also marked the seventh consecutive decline, it said.

Pretax profits of the manufacturing sector plummeted 23.0 percent, also the seventh consecutive fall and the largest since the April-June quarter of 1986.

A ministry official said labor and distribution costs and depreciation expenses rose during the period, while sales and prices were stagnant and the deficit in the corporate financial balance widened, thereby depressing pretax profits.

The increasing depletion of companies' liquidity, which reduced the interest revenue from their financial assets, also affected profits, the official said.

Corporate investments in plant and facilities shrank 1.6 percent during the January-March period, the first decline since October-December 1986.

In the goods-producing sector, capital investments fell 7.7 percent, the first drop since July-September 1987, the ministry said.

The service sector fared slightly better, with pretax profits falling by 6.7 percent.

Capital spending in the sector rose 2.4 percent, following a 2.5 percent pickup the previous quarter.

The official saw some bright spots, citing the first upturn in six quarters of capital investments by small nonmanufacturing companies, which he said is a good leading indicator for the economy.

He said the sharp drop in inventory investments shows the end of inventory adjustment is not so far off, which will eventually lead an economic recovery.

Inventory investments fell 6,901.7 billion yen during the period from the previous quarter.

The ministry's statistics also show corporate sales rose 3.5 percent during the quarter from a year earlier, while operating profits slipped 8.7 percent.

Masaru Takagi, chief economist at Fuji Research Institute., said the figures show business conditions deteriorated further during the three months.

"The manufacturing sector, in particular, was in really bad shape," Takagi said.

But he said the falling level of stockpiles provides a hopeful sign for the future, predicting the inventory adjustment, the largest brake on the economy, will come to an end in the July-September quarter for most manufacturing sectors.

Personal Savings Balance at Record Low Gain

OW1506102092 Tokyo KYODO in English 0941 GMT 15 Jun 92

[Text] Tokyo, June 15 KYODO—The balance of personal savings in Japan stood at 807,923.4 billion yen at the end of fiscal 1991, a record low 6.4 percent gain, the Bank of Japan said in a preliminary report Monday.

A central bank official attributed the slowdown to a decline in fund trusts, reflecting slumping stock markets, despite steady growth in postal savings.

Savings in the private-sector financial institutions grew 4.8 percent to 348,449.7 billion yen. A drop of 31,740.0 billion yen in small-lot money market certificates (MMC) put a cap on the growth, he said.

Postal savings, which had a dismal growth rate in the previous year, grew 13.8 percent, to 155,047.0 billion yen. The advance is 10 times that of the previous year.

The balance of investment trusts continued to decrease 15.2 percent to 35,049.8 billion yen, due to the slumping stock market, the biggest-ever such decline and second consecutive fall, the official said.

FBAJ Publishes Guidelines for Fair Trading

OW1606102692 Tokyo KYODO in English 0939 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—The banking industry's umbrella organization Tuesday published guidelines on promoting fair and free competition among banks.

The guidelines, announced by the Federation of Bankers Associations of Japan [FBAJ], consist of three major chapters—an outline of the antimonopoly law, how to abide by the law, and business guidelines concerning the law.

It cites consultations among banks to fix lending rates as a violation of the law.

The guidelines also say it is against the law for a bank to force a client to buy some financial instruments offered by the bank or one of its financial affiliates as a condition for lending money to the client.

Groundwork Laid for Finance Reform Bill Approval

OW1606102592 Tokyo KYODO in English 0941 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—Ruling and opposition parties agreed Tuesday to resume debate at a key House of Councillors panel on a financial reform bill that would allow banks and brokerages to enter each other's turf through subsidiaries, officials of the parties said.

The development followed a delay in the Diet in the wake of parliamentary haggling over a bill to send Japanese troops abroad for U.N. peacekeeping operations, making it certain the finance reform bill will pass during the current session of the Diet that ends June 21.

Under the agreement, the upper house Finance Committee will resume deliberations on the finance bill Wednesday. The bill is expected to go to a plenary session for voting Friday, the officials said.

It has already been approved by the House of Representatives.

The bill is aimed at lowering legal barriers between different financial institutions as much as possible to promote competition and efficiency. If approved, the legislation would take effect next January.

Minister Predicts Early Upturn of Stock Prices

OW1606024192 Tokyo KYODO in English 0153 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—Finance Minister Tsutomu Hata said Tuesday he believes that the Japanese stock market is likely to take an upturn before long.

Hata told a news conference following a regular cabinet meeting that stock prices will soon stabilize and likely start moving up gradually.

He said there are already some signs that point to a prospective recovery of the Japanese economy.

Hata hinted that the gross national product (GNP) figures for the January-March quarter to be released later in the day will provide encouraging signals.

He added that the yen's stability demonstrates that the Japanese economy is not viewed internationally as in very bad condition.

The finance minister also said there is no need for the government to prepare a supplementary budget for future activities related to the United Nations peacekeeping cooperation bill, which was enacted Monday.

He said activities such as a fact-finding mission to Cambodia, expected to be dispatched as early as this month, can be financed by reserve funds at the Defense Agency and other government agencies.

Hata also said Japan's new environment aid, announced at the earth summit in Brazil last weekend, will not necessarily be funded by the proposed environmental tax alone.

"We will study what sources are appropriate (for the aid). But (the money sources) are not necessarily limited to the environment tax," he said.

Japan pledged at the summit, which closed Sunday, to expand its bilateral and multilateral official development assistance (ODA) related to the environment up to 7.7 billion dollars over the next five years.

Meanwhile, Takeshi Noda, director general of the Economic Planning Agency (EPA), painted an optimistic picture about the economic future.

While admitting the economy is in a severe state at the moment, Noda said, "I don't think the economy will continue its downward march."

Commenting on stock prices, Noda predicted that the market will "pick up momentum gradually" now that the U.N. peacekeeping bill has been approved.

First Quarter Real GNP Grows 1.1 Percent

OW1606082892 Tokyo KYODO in English 0710 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—The Japanese economy grew at an inflation-adjusted pace of 1.1 percent in the January-March quarter, the Economic Planning Agency said Tuesday.

The rise in gross national product (GNP), which measures the nation's total output of goods and services, is equivalent to an annualized rate of 4.3 percent.

The agency also said the nation's GNP for fiscal 1991, which ended March 31, increased a real 3.5 percent, falling short of the government-set target of 3.7 percent.

During the January-March period, personal consumption rose 0.8 percent from the preceding three months but corporate investment in plant and equipment fell 0.1 percent.

The nation's gross domestic product (GDP), which excludes income abroad, rose 0.8 percent in real terms during the first quarter, or an annualized 3.4 percent.

An official at the agency said, "it now seems difficult to attain the government's 3.5 percent growth target for the current fiscal year ending next March 31."

MITI Expresses Disappointment

OW1606131392 Tokyo KYODO in English 1154 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—A senior official of the Ministry of International Trade and Industry said Tuesday it would be difficult for the government to attain its 3.5 percent economic growth target for fiscal 1992.

The official, who asked not to be named, made the remark in connection with a government announcement on Japan's gross national product (GNP) for the first quarter of this year.

Japan's GNP in the January-March period grew 1.1 percent in real terms over the preceding quarter.

He said the growth rate was higher than expected because of external factors, making it hard for the government to attain its 3.5 percent net growth target for fiscal 1992.

Analyzing details of the GNP announcement, the official said the nation's exports grew toward the end of fiscal 1991 while imports declined, reflecting the economic slowdown.

He said consumer spending fell markedly after the first two months of this year.

Industrial Output Rises First Time in 7 Months

OW1606082992 Tokyo KYODO in English 0701 GMT 16 Jun 92

[Text] Tokyo, June 16 KYODO—Japan's industrial production in April grew for the first time in seven months, edging up by a seasonally adjusted 0.1 percent from the previous month, the Ministry of International Trade and Industry said Tuesday in a revised report.

The rise in output at factories and mines followed monthly declines of 2.6 percent in March, 0.5 percent in February, and 1.2 percent in January.

On an unadjusted basis, production fell 6.1 percent in April from a year earlier, marking an annual drop for the seventh straight month.

That was the biggest drop since the unadjusted 6.6 percent fall in September 1975, and the series of year-on-year declines equals the previous longest losing streak from August 1982 through February 1983, a ministry official said.

Shipments declined in April for the second consecutive month, falling by 1.1 percent from March on a seasonally adjusted basis.

On an unadjusted basis, shipments dropped 4.8 percent from a year earlier, for the fifth successive year-on-year fall and the biggest since the 6.9 percent drop in August 1975, the official said.

Eiichi Ono, chief of the ministry's Statistics Analysis Division, predicted shipments will continue declining on a year-on-year basis in June, July, and August.

April inventories edged up 0.2 percent from March on a seasonally adjusted basis, after posting a 1.1 percent month-on-month decline in March and a 1.3 percent fall in February.

Inventories in April posted an unadjusted 6.4 percent rise from a year earlier, after a 7.0 percent growth in March.

Ono said stocks of final demand products, especially durable goods like small passenger cars and video cameras, piled up sharply, while those of manufacturing goods were on a downward trend.

The overstocking reflected weak demand for such durable goods, or decreasing shipments despite production adjustment in progress, Ono said.

Superconductivity Ship Undergoes Test Voyage

OW1606064892 Tokyo KYODO in English 0616 GMT 16 Jun 92

[Text] Kobe, June 16 KYODO—A new-generation ship powered by superconductivity-induced electromagnetism and with a potential speed of about 185 kilometers an hour had a test voyage Tuesday, promoters of the project said.

The 280-ton Yamato 1, capable of carrying 10 passengers, with a current speed of eight knots (about 15 kilometers per hour), is about 30 meters long and 10 meters wide, officials of the ship and ocean foundation said.

Developers said if a stronger superconducting magnet is developed in the future, a superconductivity ship will be able to sail as fast as 185 kilometers an hour.

The ship underwent a test voyage in Kobe Bay but the test was suspended after some 40 minutes because of problems with the superconductivity system, they said.

The foundation, which is engaged in developing ship technology, has developed the vessel at a cost of some 5.5 billion yen.

Mitsubishi Heavy Industries Ltd. completed the ship in Kobe late last year.

The foundation will carry out tests on the ship with the aim of putting it into practical use around 2010, the officials said.

North Korea

Bush Remarks at Monument Ceremony Criticized

SK1506103592 Pyongyang KCNA in English 1022 GMT 15 Jun 92

["Reckless Remarks Against the Trend of Times"—KCNA headline]

[Text] Pyongyang June 15 (KCNA)—U.S. President Bush, speaking at the ground-breaking ceremony for a "monument to the Korean war-dead" on June 14, talked about "the U.S. commitment to peace on the Korean peninsula," saying "the United States will continue to implement its obligations," according to a report from Washington.

The U.S. imperialists had unleashed the war of aggression in Korea and committed unheard-of brutalities defying human imagination, thereby recording a most criminal and disgraceful page in their blood-stained history of aggression.

What they have done on the Korean peninsula over the nearly half a century of their occupation of South Korea is that they have turned South Korea into a colony and military base and inflicted untold misfortunes and sufferings upon the Korean people by their persistent policies of aggression and war.

This is the height of impudence for Bush to build a "monument to the wardead" on this occasion and describe it as a move for "peace".

The continued fulfilment of commitment to "peace" much vaunted by Bush is meant to continue the U.S. troops' occupation of South Korea and colonial rule and intensify the anti-DPRK war adventure.

The U.S. imperialists must not stage such an anachronistic game but apologize to the Korean people for all their criminal acts committed during the three year Korean war and beg for pardon and promise the world conscience that they will not take the same course as what they did in the past.

Commentary Denounces Japan's PKO Bill

SK1606082292 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 10 Jun 92

[Commentary by station commentator Yun Pyong-son: "To Attempt To Repeat the Criminal History"]

[Text] According to a report, a UN peacekeeping operation [PKO] bill was passed by the Japanese upper house

at dawn on 9 June. This bill allows Japan to dispatch its Self-Defense Forces to other countries under the UN flag and sign of cooperation.

By nature, Japan is a defeated nation. Accordingly, Japan is legally restrained from dispatching its Self-Defense Forces troops abroad. Article 9 of the Japanese Constitution bans the Self-Defense Forces from being dispatched abroad. The passage of the PKO bill, however, opens the road for Japan to dispatch its Self-Defense Forces abroad and guarantees that Japan can become a big military power.

The passage of the PKO bill by the Japanese upper house will create grave, new tensions in Asia; it is a challenge to people in the region who oppose Japan's overseas expansion and who want peace and security.

Asians and Japanese who know better than anyone else the Japanese imperialists' history of crimes strongly opposed the passage of the bill since the first day it was presented to the Diet, worrying over its dangerous nature.

As soon as the bill was unilaterally passed by the Liberal Democratic Party, people in many Asian countries raised concerned voices, saying: Forty-seven years since their defeat, Japanese troops have again been dispatched abroad and Japanese militarism is resurging. A civilian organization repeatedly staged protest demonstrations in front of the Japanese Embassy in the Philippines.

Even in South Korea, representatives from three dissident organizations, including the Consultative Council of the National Labor Activists Groups, protested and visited the Japanese Embassy in Seoul to demand the bill's withdrawal.

Even the Japanese people have strongly opposed the bill. According to an opinion poll conducted by KYODO News Agency on 8 June, of the 30 respondents who participated in the poll, 17 opposed the bill. Of the 14 female respondents, 10 opposed it. A woman respondent said: If I had a son who is a soldier in the Self-Defense Forces, I would oppose Self-Defense Forces members dispatched to a disputed area abroad. Another woman said: The dispatch of Self-Defense Forces abroad symbolizes World War II.

It is natural that people in Japan and the rest of the world strongly oppose the PKO bill. As is well known, Japanese imperialists drove their notorious army into Asia and inflicted countless misfortunes and catastrophes on the region's people.

Although half a century has passed since the Japanese imperialists' defeat, Asians vividly remember Japanese imperialism's bloody criminals and bear grudges and anger against the rascals.

Japan, however, is going to embark on the road of aggression against the continent again, forgetting the lesson of history. Moreover, Japan is now building up and modernizing the Self-Defense Forces. It is also attempting to become a nuclear power by storing more plutonium than needed.

Japan has said that it will freeze the peacekeeping activity of the Self-Defense Forces for the time being. Everyone believes, however, that if the freeze is lifted, the Self-Defence Forces would run wild like the Japanese imperialist army of the past, which was notorious for its aggression, plundering, and slaughter.

It is certain that through the dispatch of Self-Defense Forces abroad, Japan is trying to become a military and political power and, thus, to strengthen its voice and influence in the international arena. This is a shameless and thoughtless act.

As the intergovernmental talks between Korea and Japan for the normalization of diplomatic relations showed, Japan still neither admits its past crimes nor attempts to apologize or settle [chongsan] them.

The participation of Japan—which has a history of indelible crimes committed against our people and the Asian people—in settling international affairs without settling its history is nonsense.

Until it settles its history, Japan has neither the qualification nor the right to enter the international arena under the UN flag. Japan's passage of the UN PKO bill reveals only its wicked attempt to repeat its history of aggression.

Our people and the Asian people will never forgive Japan's overseas military expansion.

'Special Article' Lauds Chuche Tradition

SK1306064192 Pyongyang Korean Central Broadcasting Network in Korean 0017 GMT 5 Jun 92

[NODONG SINMUN 5 Jun special article: "The Chuche Revolutionary Tradition Is the Source of Socialism's Invincibility"]

[Text] Our party is victoriously advancing the cause of socialism by brilliantly inheriting the chuche revolutionary tradition. In his classical work, "Enhancing the Role of the Popular Masses Is a Guarantee for the Victory of the Cause of Independence," the great leader Comrade Kim Il-song emphasizes that our party is brilliantly pioneering the future of socialism of our own style by inheriting the pure revolutionary tradition.

The great leader Comrade Kim Il-song has taught: All of our party members and the working people have been firmly rallied around Comrade Kim Chong-il and the party Central Committee by inheriting the party's revolutionary tradition, thus, forming the firm main force which will carry on the revolution. This is a basic guarantee for the final victory of our revolution.

Summed up with dignity in this teaching of the great leader is the great victory of having formed the powerful main force with which our party will carry on the

generation of the revolution by inheriting the revolutinary tradition of chuche. in particular, elucidated in this are the dear leader Comrade Kim Chong-il's immortal achievements of having provided a fundamental guarantee for the final victory of the cause of socialism, communism, by resolutely safeguarding, defending, and glorifying the chuche revolutionary tradition.

The chuche revolutionary tradition which the great leader Comrade Kim Il-song created and which the dear leader Comrade Kim Chong-il has glorified is the source of history which has made it possible to build a most firm socialism which is never shaken under any circumstances. The chuche revolutionary tradition is the historic root of our party and revolution. It is also the bloodline of our revolution which links our revolution from one generation to another. The tree which has deep and firm roots does not fall down before any strong wind. Likewise, socialism, as well, can consistently advance along a correct road of its development under any difficult circumstances only when its historic roots are firm.

Extensively embodied in the chuche revolutionary tradition are the guiding ideology of the revolution, its guiding theory, and its guiding method which firmly guarantee the victory of socialism under any curcumstances. Also, reflected in the chuche revolutionary tradition are rich struggle experiences and noble achievements.

When the chuche revolutionary tradition is safeguarded, defended, inherited, and developed socialism can be victoriously advanced invariably no matter how far time may pass and how arduous the road of the revolution may be.

That socialism of our own style is consistently developing today with immortal vatality without faltering even amid the constant anitsocialist manuevers of the imperialists and the rapidly developing situation is because our party has resolutely safeguarded, defended, inherited, and developed the chuche revolutionary tradition. That the chuche revolutionary tradition has become the source of the invincible socialism of our own style lies above all in that the tradition makes it possible to strengthen the main force of socialism and to enhance its role.

The main force of the revolution is the driving force to develop the socialist society. It is also the social and political foundation which guarantees the solidness of the socialsit society. When socialism has its firm main force it cannot be shaken under any arduous and difficult circumstances and can victoriously advance while surmounting all sorts of challenges and trials on the road of its advance.

The basis in buiding the powerful main force of the revolution—which is a unified body of the leader, the party, and the masses—lies not only in strengthening the party, but also in strengthening the invincible unity and cohesion of the popular masses with the party and the leader as the center. This unity and cohesion cannot be easily achieved on an empty land, but can be achieved only when they are based on the tradition of great unity and are purely inherited.

Our socialism has come to demonstrate its might as the most solid kind of socialism because the basic problem in guaranteeing its invincibility has been solved. The entire course of our revolution has been the proud history in which the chuche revolutionary tradition has been provided and constantly inherited and developed with the unity and cohesion based on the chuche idea as the core.

The great leader Comrade Kim Il-song organized, as their core, the ranks of the anti-Japanese armed struggle with the youth of new generations, whom he personally fostered in the days of anti-Japanese revolutionary struggle, and united patriotic forces from all walks of life with the anti-Japanese national united front. Thus, he provided a powerful driving force and attained the organizational and ideological unity of the revolutionary ranks based on the revolutionary sense of obligation and comradely love by crushing the subversive maneuvers of factionalists and domestic and foreign enemies.

As the result of this, the tradition of unity and coehsion was achieved for the first time in the history of the communist movement. This tradition is the tradition of unity and cohesion with the leader as the center, the tradition of unity and cohesion based on the leader's revolutionary ideas and the tradition of unity and cohesion based on the revolutionary sense of obligation and comradely love between the leader and the warriors. This tradition serves as a source enabling our party to achieve firm, everlasting unity and cohesion.

Regarding the work of inheriting the tradition of unity as the fundamental issue deciding the fate of the revolution, the dear leader Comrade Kim Chong-il tenaciously defended and protected the tradition in the course of leading the chuche-orientation of the entire society, and inherited and developed this tradition. Thus, he attained unprecedented single-hearted unity among the leader [suryong], the party, and the masses.

Thanks to the wise leadership of the dear comrade leader, our people firmly rallied behind the party and the leader based on faith and a sense of obligation by cherishing such a thoroughgoing outlook on the leader as cherished by the anti-Japanese revolutionary fighters in the past. Thus, we constituted a powerful driving force of the revolution.

Socialism of our own style has been tenaciously defended and protected through chuche-oriented might that was grown and has been consolidated with the great revolutionary tradition as its root. Therefore, this socialism has become an invincible one which does not waver no matter how violent a wind may blow.

When our people think of the invincibility of socialism of our own style, we come to think of the independent

driving force of the revolution, which powerfully supports such invincibility, and we keenly ruminate on the wise nature of the leadership of the dear leader Comrade Kim Chong-il who has inherited and is developing the tradition of unity.

The chuche-oriented revolutionary tradition serves as the source of the invincibility of socialism of our own style because it enables one to firmly maintain the position of independence in the struggle for socialism.

Firmly maintaining the position of independence is a key issue deciding the fate of the socialist cause. Only when one firmly maintains the position of independence, can one ensure consistency in lines and policies under any complex situation, and push ahead with the socialist cause along the straight road toward victory without any deviation and vicissitudes by depending on the creative ability of one's own people.

Socialism was frustrated in some countries because they were unable to resolve complex problems raised in socialist construction from the standpoint of independence, merely moved according to the other people's instruction and depended on other's strength.

It is a serious lesson taught by history and reality that when one acts by following another, yielding to the pressure of other people without a sense of independence, one spoils the socialist cause.

It is difficult to firmly establish chuche on the unexplored road of socialist construction without committing flunkeyism and doctrinism. What plays an important role in successfully solving this difficult and complex problem is the very tradition on the establishment of chuche.

Because our party and people have the great tradition of establishing chuche and thoroughly inherited this tradition, we could excellently build popular mass-centered socialism in a unique manner by firmly establishing chuche even under difficult and complex circumstances.

The great leader Comrade Kim Il-song expounded at an early date the truth that independence is the life of revolution and flunkeyism spoils the revolution. During the days of anti-Japanese revolutionary struggle, he put forward the revolutionary lines from the standpoint of independence and built a genuine revolutionary regime for the people. Thus, he created experiences in implementing various social and economic policies.

Such a brilliant tradition on the establishment of chuche worked as a historic source which enabled our party and people to successfully resolve all problems in carrying out the socialist cause based on their own faith and judgment with the popular masses as the center.

Whenever a question was raised as to on what principle and what direction the socialist construction should be pushed ahead and whenever a difficult and complex situation was created, our party formulated correct lines, strategies, and tactics based on its experience gained during the days of anti-Japanese revolutionary struggle when our party uniquely resolved the theoretical and practical problems. Our party developed a new theory on communism, irrespective of existing theories.

Our party excellently built a tower of socialism, which does not waver by any wind or storm, by uniquely carving out the road toward socialism while opposing flunkeyism and doctronism. Indeed, this clearly proves the greatness of tradition on the establishment of chuche and wise nature of the leadership of our party which thoroughly inherited such a tradition.

The chuche revolutionary tradition is an ideological and mental source enabling the people to thoroughly observe the principle of socialism with a staunch revolutionary spirit. The firmness of socialism depends on the ideological and mental status of the popular masses.

Socialism, which the popular masses absolutely support and defend with staunch revolutionary spirit, cannot be destroyed with any strength. The firmness of the ideology and consciousness of the popular masses depends on how great a revolutionary spirit they have inherited.

Our socialism became the most solid socialism because it was built by the tenacious struggle of the revolutionary people who inherited the Paektu revolutionary spirit—the noble revolutionary spirit formulated during the anti-Japanese revolutionary struggle period.

The Paektu revolutionary spirit is the spirit of endless loyalty to the party and the leader and is the revolutionary spirit of self-reliance and arduous struggle. It is the indomitable spirit of struggle.

This spirit is a mental provision which enables the people to prepare themselves to be tenacious communist revolutionaries and is a powerful driving force which, with matchless strength, pushes ahead with socialism.

By encouraging the people to firmly inherit this revolutionary spirit, our party made them live and fight with the spirit and outlook that they were filled in the Paektu forest in the past, no matter how serious a trial they may face and no matter how viciously the enemies may wage anti-socialist maneuvers.

Today the song of faith, "Cowards, you may go but we will defend the red flag!" is loudly resounding among our people, who are armed with the anti-Japanese revolutionary spirit by our party. This reality clearly shows where the invincibility of socialism of our own style comes from.

The chuche revolutionary tradition is embroidered with achievements, experience, and brilliant examples in consistently and tenaciously maintaining the revolutionary principle throughout the entire course of unprecedentedly arduous and complex revolutionary struggle.

Our socialism is based on this tradition and has been consolidated and developed with the nourishment it received from the root of such tradition. Therefore, our socialism is persistently advancing along the single road

of victory without the slightist degree of wavering under the acute circumstances where the imperialists' antisocialist offensive is concentrated.

It is indeed a great pride and honor that our people are being led by the great party which is building invincible socialism by having brilliantly inherited the chuche revolutionary tradition.

By following the leadership of the great party, we will defend purely the chuche revolutionary tradition generation after generation and will comprehensively inherit and develop it. Thus, we will accomplish the chuche socialist and communist cause to the end.

South Korea

Blix Says Yongbyon Facility Not Needed

SK1606002192 Seoul YONHAP in English 0005 GMT 16 Jun 92

[Text] Vienna, Austria, June 15 (YONHAP)—Hans Blix, director-general of the International Atomic Energy Agency (IAEA), said Monday North Korea does not need nuclear reprocessing facilities like the ones it is building in Yongbyon.

Blix said there are many other aspects in North Korea's possession of nuclear materials and nuclear policy that could not be explained.

Blix made these remarks at a meeting with South Korea's ambassador to the IAEA, Chong Kun-mo.

The IAEA director-general said South and North Korea should carry out simultaneous inspections in each other's territories in parallel with IAEA inspection of North Korean facilities.

At a regular board of governors' meeting which opened on Monday, Blix said he plans to express his views on the need for North Korea to halt the construction of its nuclear reprocessing facilities and accept mutual inspections with South Korea, Chong said.

The five-day meeting is expected to discuss problems related to nuclear safeguards and financial matters. The meeting will focus on North Korean issue Tuesday and Wednesday.

Defense Minister Warns DPRK Against Infiltration

SK1606085592 Seoul KBS-1 Radio Network in Korean 0800 GMT 16 Jun 92

[Text] Commenting on the infiltration of North Korean troops into the Demilitarized Zone [DMZ] along the truce line on 22 May, Defense Minister Choe Sae-chang today warned that if North Korea commits reckless armed provocations in the future, we will not remain a mere spectator to them any longer. Defense Minister Choe said this in a speech delivered at a meeting held at Army Unit 1968 this afternoon to cite officers and men who performed meritorious services in killing the three North Korean armed infiltrators.

Stressing that the latest infiltration incident by the North Korean troops was the first grave armed provocation committed by North Korean troops since the South and North were admitted into the United Nations simultaneously and since the adoption of the basic South-North agreement, Defense Minister Choe strongly called on North Korea not only to frankly apologize for the provocation committed in the DMZ and to punish those responsible for the infiltration, but also to prove in deeds a changed attitude that it will respect the spirit of the basic South-North agreement by accepting the proposal for mutual nuclear inspection in the South and North and by halting the construction of nuclear reprocessing facilities and abandoning them.

At today's citation ceremony, Army Units 2672 and 1968 received a presidential citation, and about 20 soldiers, including Captain Kim Sung-kyong, commander of frontline 13th Company, and Corporal Pak Chol-ho, frontline 16th Company of Army Unit 1968, received Military Merit medals.

U.S. Urged To Focus Trade Pressure on Japan

SK1606103092 Seoul TONG-A ILBO in Korean 15 Jun 92 p 3

[Editorial: "The United States Should Exercise Self-Control in Putting Pressure"]

[Text] The fifth joint Korea-U.S. business conference began on 14 June in Seoul and will continue through 16 June. Influential businessmen from Korea and the United States who lead economic circles in both countries are attending the conference. We are greatly interested in the conference because it will, we hope, provide an opportunity for us to persuasively explain to U.S. businessmen the present condition of ROK-U.S. trade and make them understand that Korea is posting an ever-increasing trade deficit with the United States.

Up until the end of 1990, restrictive conditions imposed on Korea by the United States, including pressure to open up to U.S. goods and antidumping lawsuits, were understandable. At that time Korea was posting a large trade surplus with the United States. That was why the Korean Government and business circles caved in to U.S. pressure to open up and accommodated restrictive conditions on trade with the United States, even at the cost of considerable losses to domestic industries. These actions resulted from the belief that trade between the two countries could not go on if any one side kept posting trade surpluses while the other side kept posting trade deficits.

Now, however, the situation has changed completely. Since last year, Korea began posting a trade deficit with the United States. The deficit, which was estimated at $335 million last year, appears to be on the rise. According to an estimate made at the end of April, Korea exported to the

United States a total of $5.53 billion and imported a total of $6.35 billion, posting $853 million in deficit.

Nevertheless, the United States unilaterally keeps intensifying pressure on Korea to open up and is taking restrictive steps against Korea, just as it did in the days when Korea was posting a trade surplus. This is hard to understand. The United States wants Korea to advance the date of opening up its financial and communications markets as well as bolster protection of intellectual property rights. Also, it has persistently pressed Korea to open its beef and rice markets.

Meanwhile, the United States has been restricting import of Korean goods to protect its own domestic market by strengthening antidumping lawsuits. Export of Korean-made semiconductors and steel products to the United States is on the verge of a complete suspension as a result of antidumping lawsuits collectively filed by U.S. business firms. The U.S. Administration's policy of protecting its own domestic market largely is due to lobbying by U.S. business firms.

It is natural for Korean businessmen participating in the Korea- U.S. business conference to ask their U.S. counterparts to exercise self-control in restricting the import of Korean goods through unreasonable antidumping lawsuits. U.S. businessmen should heed Korean businessmen so that the two countries can maintain the principle of reciprocity and balance in their bilateral trade.

It may be more important for the United States to be more active in improving its trade deficits with Japan instead. Japan has been posting enormous trade surpluses with the United States year after year. It recorded a trade surplus of $38.4 billion last year alone. Of course, we do not think the United States has been passive in reducing its trade deficits with Japan; however, it is true that its efforts to cope with Japan have not been effective given the astronomical trade deficits it has been posting with Japan.

So, it will be very useful for the two countries' businessmen to positively and seriously discuss ways to improve trade deficits with Japan—the common task of the two countries—during the current Korea-U.S. business conference. We believe that balanced trade between Korea and the United States and between Japan and the United States is a major factor for stabilizing the economy and politics in Northeast Asia.

Talks With Australia on Beef Imports Conclude

SK1506151792 Seoul YONHAP in English
1246 GMT 15 Jun 92

[Text] Seoul, June 15 (YONHAP)—Korea-Australia beef talks held at the Kwachon Government Office Monday broke up without reaching any accord.

The two sides decided to set the time of the next round of talks through diplomatic channels.

At the meeting that took place at the Ministry of Agriculture, Forestry and Fisheries, the Australian delegation said they did not want to see Korea's livestock industry collapse, but asked Korea to promise that it would abide by it if the on-going GATT (General Agreement on Tariff and Trade) multilateral talks decide on a complete opening of beef market.

The delegation complained that it is a discriminatory practice that Australia-produced ordinary carcasses used to be processed into packages in their entirety without being put to wholesale market. They demanded an end to the practice.

In response, Korean delegates emphasized that beef imports should be expanded gradually within the extent of not destroying the domestic industry.

They said Korea had not discriminated against any beef-exporting country. "We simply adopt different marketing channels depending on the type of beef in view of the uniqueness of our domestic marketing structure," one of the delegates said.

Government To Promote Opening Monetary Market

SK1606111092 Seoul YONHAP in English
1019 GMT 16 Jun 92

[Text] Seoul, June 16 (YONHAP)—A senior Finance Ministry official Tuesday reiterated a government policy to promote opening of monetary market as early as the country's economic circumstances tolerate it.

Second Assistant Finance Minister Yi Hwan-kyun made the remarks in response to U.S. business leaders' call for early opening of the monetary market during a Korea-U.S. business council meeting held at the Intercontinental Hotel in southern Seoul.

Yi said the government plans to promote monetary market opening in a three-stage schedule to be undertaken shortly.

The assistant minister said the plan would be put into practice step by step since its implementation can hardly be made irrespective of the economic conditions of the country.

"A new monetary policy pushed through regardless of economic conditions would only plunge the economy into utter confusion, making it difficult to carry it out altogether," Yi said.

He said there are a lot of problems facing the monetary industry of Korea, which, he said, included high interest rates, sizable difference between domestic and foreign interest rates, and chronic excess fund requirement.

Yi said the government strives to implement those parts of a second-stage plan that have nothing to do with the variables of macroeconomy ahead of its originally planned implementation period of 1994-96.

By 1996 when the third-stage monetary interest liberation is completed as planned, about 90 percent of the interests of the total bank deposits and credits would be liberalized, Yi said.

CIS Reportedly Misses Loan Interest Payment

SK1606022192 Seoul YONHAP in English 0135 GMT 16 Jun 92

[Text] Seoul, June 16 (YONHAP)—The Commonwealth of Independent States has missed another interest payment on loans that South Korea extended to the former Soviet Union last year, the Finance Ministry said Tuesday.

The ministry said 6.45 million U.S. dollars in interest on the first installment of Korean consumer loans was due by June 15.

International debts incurred by the former Soviet Union were guaranteed by the Russian Republic, but there had been no official action from Moscow, ministry officials said.

The CIS earlier failed to pay 32.5 million dollars in interest on Korea's cash loans due may 18 and 19.

Yi Hwan-kyon, assistant finance minister, said these problems would be discussed when Russia sends a financial delegation headed by Victor Shilin, deputy minister of foreign economic relations, to Seoul June 25 or 26. The Russians are expected to offer new guarantees for Korean loans to the former Soviet Union and dates of interest payments, Yi said.

If they fail to do so, he said, Korea will not resume economic cooperation loans to Russia.

Of the 800 million dollars in loans tied to consumer goods export Korea promised to provide, 472 million dollars was approved and 434 million dollars executed.

72% in Poll 'Dissatisfied' With Political Leaders

SK1606044692 Seoul HANGUK ILBO in Korean 9 June 92 p 1

[Text] The people of our country are greatly dissatisfied with the current political leadership and strongly desire a new image of their political leaders.

The people also demand political leaders awaken themselves and establish a more desirable image. Such political consciousness makes it extremely difficult to predict how the presidential election campaign will turn out.

Media Research, a public opinion polling agency, conducted a special poll on our country's leaders. The survey, conducted for HANGUK ILBO on the occasion of its 38th anniversary, was part of an effort to establish new leadership in a democratic era when the 21st century is just around the corner.

The survey polled 1,000 males and females age 20 and older across the country on 30 and 31 May.

To a question on whether there is a political leader the respondents could place confidence in and vote for in the presidential election, 54.8 percent of the total respondents answered "yes;" as many as 45.2 percent said "no." This result shows that people's distrust in politics remains unchanged.

Asked why there is no desirable leader, 28.3 percent complained about a lack of political leaders' qualities; 18.8 percent said they were indifferent to current politics; 16.8 percent cited undemocratic politics; and 16.8 percent cited political parties' undemocratic ways.

Regarding the leadership of ruling and opposition leaders, 51.0 percent said they were dissatisfied "a little"; 21.0 percent said "very much." These figures reveal that 72.0 percent are dissatisfied with the leadership of ruling and opposition parties.

As to problems with parties' leaders, 47.4 percent said the leaders have an excessive desire for power; 14.7 percent complained about leaders' failure to present reasonable policies; 11.8 percent complained about regionalism; 10.4 percent noted leaders' insincerity in reflecting public opinion of their policies.

To the question on how they interpret "generational changes," 34.4 percent defined the term as "complete establishment of civilian politics"; 26.4 percent said it means the appearance of progressive forces; 15.3 percent said it means ending the era of two Kims (Kim Yong-sam and Kim Tae-chung) or that of three Kims (Kim Yong-sam, Kim Tae-chung, and Kim Chong-pil); 15.1 percent said it means electing a man in his 40's or 50's as president.

As to how to achieve generational changes, 77.6 percent said the changes must be achieved naturally through elections.

Kim Tae-chung Promoting Increased Women's Role

SK1606021792 Seoul THE KOREA HERALD in English 16 Jun 92 p 2

[By staff reporter Pyon Eun-mi]

[Text] Kim Tae-chung, the presidential candidate of the largest opposition Democratic Party, pledged yesterday that he would promote women's participation in the government and politics if elected president in this year's presidential race expected in December.

He said he would appoint at least three or four women as cabinet members. The No administration has a 24-member cabinet.

The opposition leader said he would set aside a certain number of the National Assembly seats for women to be elected on the national constituency ticket in future parliamentary elections and also for local government councils in the future.

Kim made these points in a debate sponsored by the Korean Council of Women's Associations, which is inviting presidential candidates to express their views on

women's role in politics and government. The debate, the first in a series, attracted scores of women leaders.

"In this Confucian-value-oriented society where a male supremacy still prevails, it is crucial to provide special benefits to women," he stressed.

Kim, a self-described advocate for the equal rights movement, argued that the current administration has failed to meet the expectations of Korean women who make up more than half of the 40 million population.

He cited that the administration has only one woman of the second state minister for political affairs.

"Moreover, because this position carries no real responsibility for any particular area of government's activities, it represents only a tokenism," he said.

Saying that only three of the 17 woman candidates captured National Assembly seats in indirect voting in last March's parliamentary elections, Kim vowed to do his best to amend the election law in such a way that at least a third of the national constituency seats would be filled by women. The nation's 299- member unicameral National Assembly consists of 237 legislators chosen through direct voting and 62 members appointed by political parties on the national constituency ticket.

Kim also expressed a deep interest in expanding employment of well-educated women.

Citing a nationwide survey conducted recently, he said about 92 percent of female college graduates polled wanted to get a life-time job, but only 34 percent have such careers.

"Korea is one of a few Asian nations in which women's educational background is exceptionally high," he said. "But their advance into the job market lags behind other countries that are economically still underdeveloped."

Even though the equal employment law was enacted in 1989, its effectiveness is questionable, he pointed out. To make up the deficiency, he proposed the introduction of a watchdog system to make sure the law is followed in every workplace.

He said his party will move to push for the revision of related laws to legalize the compensation for any damage caused by discriminations in employment.

To make full use of Korea's well-educated women workforce, he advocated the enactment of a law promoting more employment of female college graduates.

Opposes Linking Nuclear, Economic Issues

SK1606084392 Seoul YONHAP in English 0728 GMT 16 Jun 92

[Text] Seoul, June 16 (YONHAP)—Opposition Democratic Party presidential candidate Kim Tae-chung said Tuesday that the government should not link North Korea's nuclear program with inter-Korean economic cooperation.

"It is proper for the government to call for inter-Korean nuclear inspection. But it can be a problem that the government sticks too closely to the issue and links it with economic relations," Kim said.

"South and North Korea have agreed on mutual inspection, but if the South, under a far-fetched interpretation of the agreement, moves to inspect military bases in the North it may turn into a stumbling block to smooth implementation of the inspection," he said.

He said there was no question about the need for the inter-Korean nuclear inspection but "it should be limited to the suspected areas such as Yongbyon."

It was desirable for the government to seek resolution of the nuclear issue too while promoting the reunion of separated families and economic cooperation, Kim told reporters at party headquarters.

"If we use economic cooperation as leverage for inter-Korean nuclear inspection, we might prod North Korea's hawks into a cautious frame of mind," Kim added.

UNP Says Chong Remarks Taken Out of Context

SK1606011292 Seoul YONHAP in English 0055 GMT 16 Jun 92

[Text] Seoul, June 16 (YONHAP)—The Unification National Party said Tuesday that remarks on the North Korean nuclear issue attributed to party leader Chong Chu-yong were taken out of context and were distorted by the Japanese magazine that interviewed him.

Party spokesman Cho Sun-hwan said Chong told the Japanese magazine SAPIO that inspections of North Korean nuclear facilities and nuclear problems were closely related to relaxation of tension on the Korean peninsula and inter-Korean relations.

The United States and the International Atomic Energy Agency, therefore, should consult with South Korea before taking any action on the issue, Cho quoted Chong as telling the magazine.

Candidate's Wealth, Age 'Demerits' Examined

SK1606031192 Seoul THE KOREA TIMES in English 16 Jun 92 p 2

[By staff reporter Kim Chang-yong]

[Text] Chong Chu-yong recently put his 3,000cc luxury sedan Grandeur in the garage and began getting around in a Sonata to visit market places early in the morning.

The second opposition party presidential nominee has to overcome the two "demerits" of being a very rich businessman and the oldest of the presidential hopefuls.

Hyundai, the nation's largest business group in terms of annual turnover and employment, which helped his just-formed Unification National Party achieve better-than-expected results in the March parliamentary elections, is now becoming an albatross in his bid for the presidency.

No sooner had he announced his jump into politics on Jan. 3 than he resigned as Hyundai's honorary chairman and washed his hands off the group's management, which he founded several decades ago. Shortly before the National Assembly elections, he had his letter of intent to abandon the rights of his Hyundai stocks notarized.

Despite the symbolic actions, he asked chief executive officers of 44 Hyundai member companies to persuade employees to support UNP candidates in the March elections bid to help his loosely-organized party, inaugurated in early February.

The UNP now boasts of a 2 million-strong membership though the other rival parties do not take it at face value.

And though the allegation that he is still connected with Hyundai has been alleviated, fears are growing that he might favor only the wealthy, or at least his conglomerate, in case he wins the election.

UNP strategists have concluded that their boss could not win the presidential election without shedding misconceptions of his image concerning Hyundai and age.

In addition to his choice of car, Chong, whose Hyundai group has a few upscale department stores in Seoul and the Hyundai kingdom of Ulsan, Kyongsang-namto, has frequented conventional markets and eats Haejangguk, a cheap morning soup, or Sundae sausage for breakfast at makeshift tables.

All these efforts have been adroitly designed to build on his new image as a politician keenly interested in the livelihood of the middle and low income class, and also to show off his diligence and health which he says are the pillars of his fortune.

A number of Koreans do not look favorably on big conglomerates, or chaebol, which they think have grown fat through collusion with power and exploitation of labor and smaller business firms.

Chong, born to a farmer, dismisses the notions of chaebol and claims that he had earned the money through his own efforts and credit, as he tries hard to convince the people.

The No Tae-u administration has assiduously attacked Hyundai in an attempt to cut off its financial channel to Chong and tame the UNP.

Law enforcement authorities arrested Chong's fifth son, Mong-hun, vice chairman of the Hyundai Electronics Co., and his two key aides on charges of tax evasion, an action which UNP officials believe dealt a blow to the party and discouraged Hyundai officials from being involved in UNP business.

Tax offices and banks are scrutinizing financial flows of both the UNP and Hyundai, and creditor banks are pressing Hyundai to collect loans extended to Chong and his family in a bid to suffocate the party, which heavily depends on the chairman's purse.

Chong is also facing a serious question of how to put UNP politicians and Hyundai men into harmony.

Vice chairman Cho Yun-hyong broke ties with the party in protest against his chairman's "authoritarian" management of the UNP, and some other National Assemblymen grumbled about their "isolation" in the course of policy-making, created largely by Hyundai executives who have taken over crucial party posts.

Chong Chu-yong proposed to offer Sonatas to UNP legislators. They are opting for Grandeurs or being allowed to purchase the posh cars by paying the difference between the two prices.

Another problem awaiting the billionaire businessman-turned political novice relates to his untested ability of governing the state.

Just a week ago, he was entangled in a hot dispute over his remarks that defended the right of a communist party's establishment here.

He and his staff defended his remarks saying he was taken out of context, but the local media was awash with the controversial utterances, and the UNP head office was immediately flooded with several groups of protesters, all conservative rightists.

Apart from these issues, the UNP leader, now 76, about 10 years older than both Kim Yong-sam of the government party and Kim Tae- chung of the No. 1 opposition party, seems to have no problem as far as his health is concerned.

"I have never been absent from work due to illness... I can proudly say that I will be able to work in Chongwadae in good health and live till I turn 150," he once said in an air of humor, proving he can handle any daily routine.

Japan Urged To Consult on PKO Issue

SK1606025492 Seoul YONHAP in English 0213 GMT 16 Jun 92

[Text] Seoul, June 16 (YONHAP)—South Korea called on Japan Tuesday to exercise prudence and closely consult with Seoul in dispatching soldiers overseas to allay South Korean concerns about the Peacekeeping Operations (PKO) bill.

A Foreign Ministry official, commenting on the passage of the PKO bill Monday by Japan's lower house,

reminded Japan that South Korea in the past had registered concern about moves to dispatch its Self-Defense Forces abroad and asked its prudence in passing the bill.

"The PKO bill has been approved, but we urge Tokyo to be even more prudent in the actual dispatch of its soldiers overseas," the official said.

"We believe that Japan, by closely consulting South Korea, which has memories of an unfortunate past, can contribute to alleviating people's concerns," the official said.

Korea was held under Japanese colonial rule for 35 years until the end of World War II.

Asian Nations Concerns Considered

SK1606100392 Seoul YONHAP in English 0805 GMT 16 Jun 92

[Text] Seoul, June 16 (YONHAP)—South Korea is prepared to take the lead in consensus-making among Asian nations to raise concern about Japan's action following the passage of the peacekeeping operations (PKO) bill, officials said Tuesday.

China, Taiwan, Singapore and South and North Korea are about the only countries to formally express doubts about the PKO bill as others hold back their reactions, the officials said.

South Korean Foreign Minister Yi Sang-ok is to attend the Association of Southeast Asian Nations (ASEAN) Post Ministerial Conference (PMC) in the Philippines July 22-27, where he can contact his counterparts from member nations.

Yi will raise the PKO issue during these meetings and try to create a consensus to carefully watch how Japan implements the PKO plan and to take necessary joint measures, the officials said.

Yi will take up the issue in meetings with Chinese Foreign Minister Qian Qichen at the Asia-Pacific Economic Cooperation (APEC) conference and U.N. General Assembly in September for possible joint steps, according to the officials.

An informed source said Korea was preparing measures before the PKO bill passed the Japanese Diet, but Beijing did not reply.

The bill, approved by the Lower House Monday, lays ground for Japan to send its soldiers abroad as part of U.N. peacekeeping missions.

While the United States welcomed the move as "an important step in the right direction," past victims of Japanese colonial rule such as Korea and China reacted immediately against it by calling for Tokyo's prudence when it actually does dispatch its soldiers.

"We realize other Asian nations may not have as strong a sensitivity as we do about Japan's military moves," one Foreign Ministry official said.

"The real issue here is not that Japan is sending its soldiers. What we need is an assurance from Japan that such actions will not lead to real military action," the official said.

Brunei, Malaysia & Singapore

Malaysia

Military To Attract More Non-Malays To Enlist

BK1306132392 Singapore THE STRAITS TIMES in English 13 Jun 92 p 20

[Text] Kuala Lumpur—The Malaysian Armed Forces is formulating strategies to attract more non-Malays to join its ranks.

Army Chief Gen Datuk Seri Abdul Rahman Abdul Hamid said on Wednesday that such strategies were necessary as the response from non-Malays had remained slow and "not satisfactory."

The strategies, he said, would make services in the Armed Forces more appealing to non-Malays.

"We still want more non-Malays to join the Army, Navy and Air Force," he said.

One of the strategies, he disclosed, would be upgrading vocational and skills training for servicemen.

The aim of this training is to enable servicemen to acquire some skills and qualifications so that they can find jobs or start their own businesses after retiring from the Armed Forces.

Speaking at an Army function in Taiping, Perak, the Army chief said that the Armed Forces was also seeking recognition for the certificates issued after such training courses in order to enhance their value.

He said that, at present, only four of the vocational and trade certificates issued by the Armed Forces training schools were recognised by the Human Resources Ministry's National Vocational Training Council.

He said the welfare and conditions of service for members of the three branches of the Armed Forces would also be improved.

Housing allowances for Armed Forces personnel of all ranks were being reviewed to reflect the cost of living in the areas they served, he said.

The present practice of paying a flat allowance according to rank irrespective of where servicemen were based, would be stopped.

Non-Malays generally felt that the Armed Forces did not offer them good career prospects.

Mahathir Discusses Sabah Election, Island Dispute

BK1406135392 Kuala Lumpur BERITA HARIAN in Malay 9 Jun 92 p 2

[Text] Kuala Lumpur, Monday—UMNO [the United Malays National Organization] has already drawn up a strategy to face an election that will be announced in Sabah at any time, UMNO President Datuk Sri Dr. Mahathir Mohamed said.

He said the UMNO Supreme Council meeting today centered on discussions about preparations and the strategy for the election in Sabah.

"We are confident that UMNO, which has 240,000 members in Sabah, will have a good chance to win the state election. We believe that we will win," he told newsmen after chairing the UMNO Supreme Council meeting here today.

However, the prime minister said he did not know when the Sabah State Legislative Assembly would be dissolved because this would be decided by Chief Minister Datuk Joseph Pairin Kitingan, who is also president of the Sabah United Party [PBS].

According to him, Pairin can do so at any time on condition that he hold a state election 60 days after the dissolution of the Sabah State Legislative Assembly.

Asked whether the early preparations showed that UMNO was aware of the imminent dissolution of the Sabah State Legislative Assembly, Dr. Mahathir said UMNO was always sensitive to rumors and prepared to face any possibilities.

The PBS and the USNO [United Sabah National Organization] obtained 36 and 11 seats respectively in the Sabah state election in July 1990, while UMNO later got one seat after USNO President Tun Datu Mustapha Datu Harun joined UMNO and defended the state legislative assembly's Usukan seat in a by-election in February last year.

Dr. Mahathir said the UMNO Supreme Council regarded as valid the delegates' meeting of UMNO's Gaya Division held on 1 March.

Earlier, Gaya Division permanent chairman Suffian Hamzah, who had won the leadership uncontested, was declared bankrupt. In this connection, Sabah UMNO liaison officer Ghafar Baba said the division might have to hold a new meeting.

However, Dr. Mahathir said the UMNO Supreme Council today considered the meeting valid and saw no need for a new meeting.

On the intention of the PAS [Pan Malaysian Islamic Party] to send a group of its volunteers to plant a Malaysian flag at Batu Putih Isle [which Singapore refers to as Pedra Branca], the prime minister said such action could spark a conflict between the two countries.

The prime minister regarded it as a PAS political act that would have no effect.

"I think this will be an act that will have no effect at all. What if other people come to our territory and plant their flag? What will we do? Go to war?

"Don't look for trouble through meaningless, symbolic gestures," he said.

Singapore

Defense Chief Pays Farewell Visit to Indonesia

BK1506113892 Singapore Singapore Broadcasting Corporation in English 1100 GMT 15 Jun 92

[Text] Singapore's Armed Forces Chief of Defense Force Lieutenant General Winston Choo, who had been in Indonesia, called on the commander in chief of its armed forces General Try Sutrisno today.

The Defense Ministry says Gen. Choo's visit is part of a series of visits to ASEAN countries before he is released of his post at the end of the month. He will be visiting Malaysia and Thailand later this month.

Cambodia

Need To Implement Paris Accord Stressed

BK1506041392 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 14 Jun 92

["Article": "Comprehensive, Correct, and Fair Implementation of the Paris Agreement Is the Only Way to End the Vietnamese War of Aggression Against Cambodia and To Restore Peace"]

[Text] The sole, fervent aspiration of the Cambodian nation and people both inside and outside the country is to restore genuine independence and peace to Cambodia.

In this spirit, since the signing of the Paris agreement, the Cambodian people both inside and outside the country have made every effort to bring about a correct, genuine and comprehensive implementation of the Paris agreement in both its military and civilian aspects, especially regarding its two key terms, which are:

1. The withdrawal of all foreign forces, that is, the Vietnamese aggressor forces, from Cambodia under the thorough supervision of the UN peacekeeping force and the four Cambodian factions.

2. The four Cambodian factions in the Supreme National Council [SNC] should be given full rights and authority as the unique source of power embodying Cambodia's sovereignty and national unity during the transitional period.

A question is raised: Is the stance of the Cambodian nation and people in simply wanting Cambodia to regain its genuine independence and peace different from the objective of the Paris agreement and the UN Charter?

Clearly, the stance of the Cambodian people and the national resistance forces is reasonable and fair, and is a big concession to the aggressors. Just take a look at some events in history. Has anyone ever done this in Asia, the Middle East, or Europe? In other words, the Vietnamese—foreigners—have invaded Cambodia—an independent and sovereign state and a full-fledged member of the United Nations—and installed a regime to serve as a smokescreen in order to conceal their aggression and their occupation of Cambodia. But having the desire to see Cambodia enjoy independence and peace and achieve national reconciliation and concord, and for the benefits of all parties concerned, the Cambodian people and national resistance forces have asked only for the Vietnamese to make a genuine withdrawal from Cambodia and for the SNC to play its role as Cambodia's sole state authority during the transitional period. This is in order to ensure a neutral political atmosphere for the Cambodian people to vote freely and fairly. Is this stance of the Cambodian nation and people and national resistance forces not correct, just, and in line with the Paris agreement and the UN Charter? Is there any other way which is more correct than this?

France Reiterates Importance

BK1106134892 Phnom Penh SPK in English 1104 GMT 11 Jun 92

[Text] Phnom Penh SPK June 11—The French Government issued a strong appeal Wednesday to all parties in the Cambodian conflict—"particularly the Khmer Rouge"—to adhere to the Paris agreement on Cambodia to facilitate the second phase of the U.N. backed peace plan, reports AFP.

The second phase, due to start June 13, envisages the cantonment and disarmament of the four factions in the country's civil war and the demobilisation of 70 percent of them.

The Khmer Rouge is blocking the peace process by refusing to comply with the conditions of the U.N. Transitional Authority in Cambodia (UNTAC) in preparation for this.

"We are particularly firm on the fact that the plan in the Paris agreement should be put into practice," said Quai d'Orsay Spokesman Daniel Bernard.

He recalled that the SNC [Supreme National Council], the reconciliation body grouping the four factions of Cambodia's 13-year civil war under the terms of the October peace plan, were meeting Wednesday in Phnom Penh.

And he underlined France's and the international community's determination that all parties involved, particularly the Khmer Rouge, respect the Paris agreement."

Bernard said France would make its views clear at a discussion in the U.N. Security Council on a report by UNTAC Head Yasushi Akashi.

UNSC Cited on SNC Role, UN Troop Deployment

BK1606041892 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 15 Jun 92

[Text] On 12 June, the head of the UN Security Council announced that the second phase of the cease-fire would begin on 13 June 1992. He also proposed that the UN secretary general speed deployment of the full peacekeeping force in Cambodia. He said the UN Security Council reaffirmed that the Supreme National Council headed by Prince Norodom Sihanouk was the legitimate body and unique source of power during the whole transitional period, representing Cambodia's sovereignty, independence, and national unity.

The head of the UN Security Council also proposed a quick implementation of Chapter 3 of the Paris agreement, which clearly specifies the role of the SNC. He said the UN Security Council believed that any delay in handing over the role to the SNC could jeopardize the whole peace process, to which all Cambodian parties have agreed under the auspices of the United Nations and Paris conference.

Concerning this issue on the SNC role, he said that the UN Security Council needed the urgent efforts of the special representative of the UN secretary general and the UN Transitional Authority.

Khmer Rouge Issues 'Ideas' on SNC Role

BK1606034092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 15 Jun 92

["Main ideas of the Party of Democratic Kampuchea Proposing That the Supreme National Council Play a Legitimate Role and Enjoy the Right and Power To Administer Cambodia's State Affairs Together With the UN Transitional Authority in Cambodia To Implement the 23 October 1991 Paris Agreement During the Transitional Period"—read by announcer]

[Text] 1. The spirit and objectives of the Paris peace agreement are to restore and maintain peace, security, and national reconciliation in Cambodia. Moreover, Article 3, main clause 3, of the Paris agreement dated 23 October 1991 clearly stipulates that the Supreme National Council [SNC] is the unique source of power and legitimate organization in Cambodia during the transitional period and embodies national independence, sovereignty, and unity.

Article 6 in the same clause specifies, among other things, that the SNC shall relinquish any necessary power to the UN Transitional Authority in Cambodia [UNTAC] in order to ensure the implementation of the 23 October 1991 Paris agreement.

The spirit and objectives of the 23 October 1991 Paris agreement mentioned above show that:

A. There should not be any other authority in Cambodia except the SNC. The authority installed by foreign forces should not be allowed to continue controlling Cambodia.

B. The SNC should have sufficient rights, power, and means to join with UNTAC in discussing all aspects of the implementation of the 23 October 1991 Paris agreement.

2. In line with the objectives and spirit of the 23 October 1991 Paris agreement and to ensure its strict implementation, the party of Democratic Kampuchea [DK] would like to propose some main ideas for the SNC to enjoy its role as the legitimate body with the right and power to administer Cambodia's state affairs together with the UNTAC to implement the 23 October 1991 Paris agreement as follows:

A. The discussions and decision-making on political affairs and the supervision of all military and civilian aspects in the implementation of the 23 October 1991 Paris agreement must be carried out by the UNTAC and the SNC which have sufficient rights, power, and means for fulfilling this mission under the chairmanship of His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the SNC, and His Excellency Akashi, special representative of the UN secretary general.

B. There should be no other authority in Cambodia except the UNTAC and SNC.

C. A four-party committee should be set up responsible for carrying out the political work and decisions of the UNTAC and SNC in the following five fields: national defense, security, foreign affairs, finance, and information.

The UNTAC shall directly supervise the work of the four-party committee in these five fields. In these five fields, some sections and personnel within the existing administrative system might be maintained to carry out the policies and decisions of the UNTAC and SNC. The UNTAC shall supervise the work of these sections and personnel.

3. The DK proposes these main ideas in order to:

A. Enable the SNC to play its legitimate role and enjoy its right and power during the transitional period, as well as to enable the SNC to cooperate with the UNTAC in effectively implementing the 23 October 1991 Paris agreement.

B. Achieve genuine national reconciliation, preventing any party from abusing the other parties through whatever means.

C. Ensure a neutral political atmosphere, which is necessary for the UNTAC to organize a free, fair, and correct election in May 1993.

These main ideas are not an attempt to divide power among the Cambodian factions. This proposal simply represents an all-out attempt to enable the SNC to play its role in line with the 23 October 1991 Paris agreement and as the body which really represents Cambodia's national independence, sovereignty, and unity during the transitional period. Only with

the SNC having a clear role and duty can it cooperate with the UNTAC in ensuring a correct implementation of the Paris peace agreement.

[Dated] 14 June 1992

[Signed] Khieu Samphan, head of the DK and member of the SNC

Thai Mediation With Khmer Rouge Urged

BK1306023592 Bangkok BANGKOK POST in English 13 Jun 92 p 7

[Text] International pressure to persuade the Khmer Rouge to comply with UN disarmament moves is unlikely to succeed, leaving Thailand as the only country that might convince it to change course, analysts and diplomats in Bangkok say.

But with the disarmament phase of Cambodia's UN-brokered peace plan set to start today, time will be needed for a Thai mediation to produce results, and radical moves such as Thailand closing its border with Cambodia are just not on, they say.

"It's a dumb idea, put forward by people who think of the Thai-Cambodian border as something like the frontiers of Benelux," said an analyst following reports that UN council members had not ruled out asking the Thai Government to try and end unofficial Thai military support for the Khmer Rouge.

"Blocking the outflow of gems and timber would not work. It cannot be enforced," he said, referring to lucrative business deals of Thai businessmen and military officers in ruby-mining and logging in Khmer Rouge-controlled areas.

The main reasons given by the Khmer Rouge for blocking the peace process are an alleged Vietnamese military presence in Cambodia, and the fact that the Phnom Penh Government has remained intact and continues to control most of Cambodia.

Diplomats in Bangkok point out that Khmer Rouge fault-finding over upholding the Phnom Penh Government is not entirely unfounded.

Such is not the case, they say, for objections regarding a Vietnamese military presence as there is no sign of Hanoi combat troops left in Cambodia. But, according to some diplomats and Thai officials, the stated Khmer Rouge view of Vietnam is not just a reflection of the group's propaganda.

Phnom Penh Counterattack Against KR Reported

BK1606052492 Phnom Penh SPK in English 0411 GMT 16 Jun 92

[Text] Phnom Penh SPK June 16—Phnom Penh government forces are ready to mount an offensive against the Khmer Rouge [KR] in central Cambodia, where violent clashes flared at the weekend, a Cambodian official was quoted by AFP as saying Monday.

"We are ready for this offensive against the KR to regain the positions they took from us north of Kompong Thom recently," the source said, three days after the start of a U.N.-guided demobilization of forces.

"This operation would aim to regain Route 12 north of Kompong Thom," the source added.

The official added that such an offensive was "a matter for us to act within our right to self-defense, accorded to us before the start of the second phase of the peace plan."

Under phase two of the plan signed by all four warring factions in Paris in October, some 200,000 fighters are to regroup, disarm, and largely demobilize, leaving no more than 30 percent of the forces in uniform, but without arms.

An UNTAC [UN Transitional Authority in Cambodia] official said "fairly violent" fighting in the area north of Kompong Thom forced the Phnom Penh army to suspend demining operations on Route 12, which runs to northern Preah Vihear Province.

This province was the scene in recent weeks of frequent fighting, especially in the area of Phnum Kulen, between Phnom Penh forces and the KR.

UNTAC reported lesser clashes Sunday in northwestern Battambang Province.

The KR refused to participate in the demobilization phase, which began Saturday, jeopardizing the success of the Paris accord.

They said the United Nations must first certify that no Vietnamese troops remained in Cambodia. Vietnam announced a total withdrawal in September 1989.

Meanwhile regrouping was continuing slowly for the soldiers of the three factions that did agree to go ahead with phase two, an UNTAC source said.

The Phnom Penh faction and the two non-communist resistance factions—those supporting Prince Norodom Sihanouk and the backers of former Prime Minister Son Sann—agreed Saturday to begin the crucial phase two.

The UNTAC source said 4,561 soldiers, including more than 4,000 Phnom Penh fighters, had turned up at regrouping centers.

However, these troops "are keeping their arms for the time being because of the KR attitude," the source said, adding that UNTAC did not want to upset "the current balance of the forces on the ground to the advantage of the KR.

The demobilization is designed to create a neutral environment for elections that the United Nations is to organize in April or May next year to put an end to more than two decades of war and unrest in Cambodia.

According to the original plan, the regrouping and disarming is to be accomplished by June 27 and the demobilization by July 11 .

'Heaviest Fighting' Since Accord

BK1606084592 Hong Kong AFP in English 0837 GMT 16 Jun 92

[By Jean-Claude Chapon]

[Text] Phnom Penh, June 16 (AFP)—Phnom Penh Government troops and Khmer Rouge units are locked in the heaviest fighting since peace in Cambodia was agreed last year, United Nations sources said here Tuesday.

A "real battle" has been under way in the north of the country since Monday after Phnom Penh forces launched a weekend artillery barrage at Khmer Rouge positions, the sources said.

The head of the United Nations peacekeeping operation in Cambodia confirmed earlier Tuesday that Phnom Penh troops had launched the offensive in areas where the Khmer Rouge have been guilty of repeated cease-fire violations in recent months.

Yasushi Akashi, who leads the United Nations Transitional Authority in Cambodia (UNTAC), said the Phnom Penh troops were exercising their right to self-defence as recognised by the U.N. under a peace plan for Cambodia agreed by the four warring factions in Paris in October.

The Khmer Rouge, the strongest of three oppositon factions which were allied against the Phnom Penh government during 13 years of civil war, have refused to comply with phase two of the U.N. accord which began Saturday and under which troops of the four Cambodian factions are to be disarmed.

"The situation is very tense but not as yet critical," Japan's Akashi told AFP before he left the Cambodian capital for Tokyo where he will attend an international conference next week on Cambodian reconstruction.

An officer with a Western military contingent in the U.N. peacekeeping operation here described the campaign as "large-scale" and said the Khmer Rouge were losing ground.

"Phnom Penh troops and the Khmer Rouge have been in direct conflict since Monday following heavy weekend artillery fire and there is a real battle going on," he said.

"A large-scale operation is under way north of Kompong Thom and around Phum Kulen in Preah Vihear Province where the Khmer Rouge have been very aggressive recently.

"Everywhere and every time they clash, Phnom Penh troops push back the Khmer Rouge who are outnumbered but very active."

He said that massive reinforcements had been sent in to allow government troops to widen their campaign.

Additional U.N. military observers had been sent to the area around Phum Kulen from a Pakistan U.N. contingent assigned to the sector by UNTAC, another U.N. source said.

Akashi, giving the U.N.'s blessing to the offensive, said that it was necessary to maintain the military balance on the battlefield and "when the Khmer Rouge attack the other three factions, they have the right to defend themselves."

A Western diplomat who has been following the military movements described the offensive as "the most violent act of war in many months."

Under phase two of the peace plan some 200,000 fighters from all four factions are to regroup, disarm, and largely demobilize, leaving no more than 30 percent of the forces in uniform, but without arms. Elections are planned for April or May next year to put an end to more than two decades of war in Cambodia.

The Khmer Rouge say the United Nations must first verify that no Vietnamese troops remain in Cambodia. Vietnam, which invaded its Indochinese neighbor in December 1978, announced a total withdrawal in September 1989.

The Khmer Rouge refusal to participate in the demobilization is jeopardizing the fragile peace accord.

UNTAC sources said phase two has started slowly with only some 4,500 soldiers, mostly of the Phnom Penh regime, turning in at U.N. centres for disarming. Even these troops "are keeping their arms for the time being because of the Khmer Rouge attitude," an UNTAC source said.

"We do not want the three factions which are cooperating with UNTAC to find themselves disadvantaged," said Akashi.

Phnom Penh Forces Regain Positions

BK1606133092 Hong Kong AFP in English 1301 GMT 16 Jun 92

[Text] Phnom Penh, June 16 (AFP)—Phnom Penh forces, in operations that began at the weekend, regained most of the positions they had ceded to the Khmer Rouge, a United Nations source said here.

"Government troops have broken the blockade around Phnum Kulen" in the north "and cleared Route 12," which leads from central Kompong Thom to northern Preah Vihear province, the military source said.

The government forces Sunday launched a counter-offensive against the Khmer Rouge, sparking fierce fighting in Cambodia as the country entered the crucial demobilization phase of its U.N.-brokered peace plan.

Khmer Rouge Cease-Fire Violations 9-11 Jun

BK1606060892 Phnom Penh SPK in French 0405 GMT 16 Jun 92

[Text] Phnom Penh 16 Jun (SPK)—According to the report made by the Commission for the Coordination of Military Affairs with the United Nations, the Khmer Rouge on 10 June fired about 200 107-mm shells on the position of the government forces from Division 16 stationed at Phnum Dek, Rovieng District, Preah Vihear Province. The Khmer Rouge also sneaked into Thvay Damnak village, said the same source, adding:

In Battambang 30 Khmer Rouge from Division 450 raided the commune of Boeng Veng and herded away some 100 head of cattle. On 9 June Khmer Rouge Division 36 fired 20 DK-82 shells on Chrey Run village, Moung Russei District. A person was wounded in that shelling.

In Siem Reap-Oddar Meanchey 50 to 60 Khmer Rouge from Division 980 launched attacks against the position of the forces of the State of Cambodia Battalion 19 stationed in Pongro village, Chikreng District, wounding one person. On 10 June Khmer Rouge from Division 784 transported ammunition in 35 cattle trucks toward a village of Srey Snam District.

In Kompong Cham Province on 11 June the Khmer Rouge from Division 785 attacked Battalion 38 of the government forces stationed in Kang Meas District, causing one dead and four wounded. On 10 June the Khmer Rouge from Division 417 fired five B-40 rockets on the seat of Stung Treng District and two [as received] Khmer Rouge soldiers pillaged O Da village.

Refugee Repatriation Process Reviewed, Detailed

BK1506151792 Hong Kong AFP in English 1447 GMT 15 Jun 92

[By Charles-Antoine de Nerciat]

[Text] Bangkok, June 5 (AFP)—The head of Cambodia's U.N. refugee repatriation operation said here Monday he was optimistic about the return of the vast majority of 375,000 refugees from Thailand before a U.N.-organized election planned by May, 1993.

Sergio Vieira de Mello said the U.N. High Commissioner for Refugees (UNHCR) repatriation which began March 30 had been "rather successful" despite the fact that it had moved more slowly than anticipated and had been marred by riots in Thailand's largest Cambodian refugee settlement.

"If the rest of the Paris agreement holds, as we hope, we will make it," Vieira de Mello said. "I'm almost certain that we can repatriate the vast majority (of the refugees) in time for the election. The Paris agreement was signed by all the Cambodian factions in October to end 13 years of war, though renewed fighting in Cambodia is throwing the process into doubt.

Some 28,500 refugees have so far returned to Cambodia from Thailand's seven border camps, whereas under initial plans 10,000 were to cross the border every week until the start of the just-begun rainy season.

Vieria de Mello, UNHCR special envoy for Cambodia, said the United Nations would not allow itself to become "hostage" to Cambodian groups or factions who might want to disrupt the repatriation.

Phnom Penh government troops began Sunday in northern Cambodia a counter-offensive against the Khmer Rouge to drive them from areas they have occupied in the past few weeks, diplomats in Phnom Penh said.

Vieira de Mello, who was speaking before the diplomats in the Cambodian capital revealed the government counter-offensive, announced that repatriation from the largest camp on the Thai-Cambodian border, known as Site-2, was to resume Wednesday after a two-week interruption.

The interruption followed a breakout of riots in the settlement.

The United Nations, he said, was "not prepared to be taken hostage of political agitators" whom he accused of seeking to disrupt the plan.

Site-2, home to some 210,000, was rocked by riots earlier this month when thousands of inmates demonstrated to demand an increase in the cash assistance given to returnees.

No one was killed but several people were beaten up and stabbed during the unrest. The camp has since been closed to foreign aid workers and repatriation from the settlement was suspended in the first major hitch to the UNHCR scheme.

Vieira de Mello told reporters that the demand for more money for returning refugees was just "a pretext."

He said the causes for the riots were not yet totally clear but involved "rivalry" between Cambodian administrators.

Site-2 is run by the Khmer People's National Liberation Front (KPNLF), one of two small non-communist guerrilla groups allied with the powerful Marxist Khmer Rouge to fight Phnom Penh in the 13-year Cambodia war which formally came to an end in October last year.

The UNHCR official also said "outsiders" could have been involved in organising the riots, but stopped short of accusing the Khmer Rouge.

There has been speculation that the group, which has blocked the peace process in refusing to go ahead with the U.N. disarmament program of Cambodia's rival forces, had been behind the unrest.

As of the beginning of July the UNHCR planned to take 25,000 refugees back every month until the end of the year.

"This would leave an estimated total of between a 100,000 and 150,000 in the border camps by the end of 1992," Vieira de Mello said, adding that by the time of the planned elections in May next year the numbers left in Thailand would then "be negligible and pose no political difficulty."

He said Khmer Rouge obstruction of the U.N. program to disarm most of Cambodia's rival forces would "not necessarily bring repatriation to a standstill, unless there is a major breakdown (in the peace process)."

He said senior U.N. officials overseeing Cambodia's peace were hopeful that the powerful guerrilla group could be brought back into the peace process.

The Khmer Rouge has refused measures to disarm and canton its guerrillas because it claims Vietnamese troops ar still in Cambodia.

The group's leadership under Pol Pot was driven from power in January 1979 following Vietnam's invasion of Cambodia.

Refugees Arrive for Settlement in Kompong Cham

BK1606051292 Phnom Penh SPK in English
0408 GMT 16 Jun 92

[Text] Phnom Penh SPK June 16—The fifth contingent of Cambodian refugees consisting of 132 families with 610 people have returned home from the border camp under the UNHCR [UN High Commissioner for Refugees] repatriation plan.

The refugees arrived in the reception centre for refugees in Phnom Penh on June 8. They would be sent to their native villages in Kompong Cham Province, according to an official of the centre.

It is the first time that Kompong Cham receives refugees to resettle in their birth place, the official said.

Twenty-one families of the refugees were the native villagers of Prey Chhor District, 35 families of Cheung Prey, 13 families of Srei Santhor and the rest of other districts in the province, the official said.

The refugees looked happy for having been permitted to return home and expressed thanks to the government of the State of Cambodia for favourable conditions for their repatriation.

One of the refugees, Kang Vin, 28, who left his native village in 1984 and returned home with his wife and a child, said he returned from Khao-i-dang camp with the hope that he would have good life in his native village in Cheung Prey District.

Hun Sen Receives Chinese Trade Delegation 12 Jun

BK1606053892 Phnom Penh SPK in English
0235 GMT 16 Jun 92

[Text] Phnom Penh SPK June 15—Prime Minister Hun Sen received here on June 12 a delegation from China Agricon Company headed by its deputy director, Jin Tong Xu, which was on a 20-day visit to Cambodia (May 25-June 13).

During the talks, Jin Tong Xu expressed his willingness to develop cooperation with Cambodia in fishing, fruit juice and natural water processing, gravel producing, and in building a carton factory, a wood procesing mill, a cement factory, a brick and tile factory and in opening a traditional medical clinic in Phnom Penh.

He said Chinese side would also be ready to provide all facilities needed for power plant construction if Cambodia wants to cooperate in such field.

For his part, Prime Minister Hun Sen praised and expressed thanks to the China Agricon Company which voluntarily cooperates with Cambodia.

He said this move could also help further strengthen and develop friendship and solidarity beween the governments and peoples of Cambodia and China.

During its visit, the Chinese delegation signed a memorandum on cooperation on various fields between the company and Cambodia.

Sihanouk Accepts Credentials From Brunei Envoy

BK1206062592 Phnom Penh SPK in English
1122 GMT 11 Jun 92

[Text] Phnom Penh SPK June 11—Pengiran Setia Raja, special representative of the Republic of Brunei to the Supreme National Council of Cambodia (SNC), presented on Tuesday [9 June] his credentials to SNC Chairman Prince Norodom Sihanouk.

Brunei is the 37th country and the last member of the ASEAN countries to establish diplomatic relations with the SNC since the setting up of its headquarters in Phnom Penh.

After expressing his welcome, Prince Norodom Sihanouk thanked Brunei for its participation in the Paris International Conference on Cambodia.

The prince, on behalf of the SNC and Cambodian people, promised to create favourable conditions for the Bruneian diplomat to fulfill his mission in Cambodia.

Foreign Minister of the State of Cambodia Hor Namhong, member of the SNC, and Ieng Muli, SNC member from the KPNLF [Khmer People's National Liberation Front] faction, were also present.

The first ASEAN country which went ahead in opening diplomatic mission to the SNC was Thailand. It appointed Sunai Bunyasiriphan as its envoy to the SNC on November 17, 1991.

Projects To Restore Highways Proposed

BK1206022692 Phnom Penh SPK in English 1114 GMT 10 Jun 92

[Text] Phnom Penh SPK June 11—The national highway 5 linking Phnom Penh to the northwestern border of Cambodia is being restored with the assistance of the United Nations Development Program (UNDP).

The road and bridge company of the Ministry of Posts, Transport, and Communications said the restoration of the highway is a part of an Australian plan submitted to UNDP to make it more favourable for the international commissions in inspecting the election.

The reconstruction work must be completed before the general elections in Cambodia next year, the company said.

UNDP has supplied iron frame for the construction of six bridges with total lenghts of 261 metres.

Other bridges on the highway also would be strengthened, the company added.

Besides UNDP, several foreign companies have also invested in restoring roads and bridges in Cambodia.

The Jica company of Japan has surveyed the restoration of the Chroy Changva bridge in Phnom Penh and the 45-kilometer highway 6 while the Heilong Jiang studied plan for restoring the national highway 2.

Two Australian companies have provided 650 metres of bridge frame to Cambodia.

The Asia Development Bank also plans to give loan to Cambodia for the development of its transportation networks.

During the first five months of this year, the road and bridge company has completed the building of two bridges with total length of 141 metres on the highway 3 and the strengthening of many parts of the highway 3.

Indonesia

Diplomatic Relations Established With Ukraine

BK1306135492 Jakarta ANTARA in English 1428 GMT 13 Jun 92

[Text] Jakarta, June 14 (ANTARA)—Indonesia and Ukraine, guided by mutual willingness to develop relations of partnership and cooperation, on June 11 established diplomatic relations, a release from the Indonesian Embassy office in Moscow said on Saturday.

The two sides have reached an agreement to develop their relations on the basis of principles of equality of states, mutual respect of national self-determination, independence and sovereignty, territorial integrity and non-interference into internal affairs of each other in accordance with the UN Charter.

Both sides are convinced that the establishment of diplomatic relations corresponding to the interests of the two states is not directed against any other country and will facilitate strengthening of international cooperation and universal peace.

Tourist Cooperation Agreement Signed With PRC

BK1606090992 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 16 Jun 92

[Text] Indonesia and the PRC have agreed to cooperate in marketing tourist package tours in their respective countries. This agreement was contained in a memorandum of understanding [MOU] signed in Beijing yesterday. Sri Mulyono Herlambang, chairman of the Indonesian Travel Agents Association, signed the MOU on behalf of Indonesia, while Han Kehua, chairman of the Chinese Tourism Association, signed for the PRC.

With the signing of the MOU, travel agents who are members of the two travel agent associations will be able to give their services in the respective country. In his welcoming speech, Sri Mulyono said the tourist industry in Indonesia is making rapid progress, especially after the introduction of economic deregulation policies. Last year about 2.5 million foreign tourists, an increase of 15 percent from 1990, visited Indonesia. During the occasion, Han Kehua called on the PRC travel agents to attend the Borobudur travel agents forum, scheduled to be held in Surakarta, Central Java, in September.

Alatas To Attend ICO Meeting, Talks on Cambodia

BK1506105792 Jakarta ANTARA in English 0954 GMT 15 Jun 92

[Text] Jakarta, June 15 (OANA-ANTARA)—Foreign Minister Ali Alatas will leave here for Istanbul, Turkey, Monday evening to attend a special meeting of the Organisation of Islamic Conference (OIC) which is scheduled for June 17-18 to discuss the current developments in Bosnia-Hercegovina.

Although the agenda will focus on Bosnia-Hercegovina, the Palestinian issue will as usual in every OIC meeting, also be included on the agenda for discussion, Minister Alatas said at his office here Monday. OIC decided to organize a special ministerial meeting because of the continuing war in Bosnia-Hercegovina, two former Yugoslavian republics.

The OIC and Non-Alignment Movement (NAM) member countries are very concerned over what is happening in Bosnia, which is now a full member of the United Nations and has had its independence recognised by many countries.

"We are also concerned over the large number of casualties including Muslims and the destruction of historical monuments there," the minster said. He said ethnic Serbs and Croats as well as the Muslim majority in the regions have been involved in the Bosnia-Hercegovina conflict.

Other problems such as poverty and contagious diseases in Bosnia have also forced the OIC to hold the special meeting in Istanbul, he added.

OIC was of the opinion that the involvement of the UN secretary general would be of great significance to help solve the conflict.

Indonesia, according to Alatas, believes that OIC needs to fully support the UN secretary general to have greater authority in dealing with Bosnia-Hercegovina.

The conference's agenda will also include discussions on recent Israeli aggression in southern Lebanon, the Palestinian problem, Arab-Israel conflicts, as well as tensions in the Nagorno-Karabakh, the minister said.

Turkey's Prime Minister Suleyman Demirel is scheduled to open the conference which is to be chaired by Foreign Minister Hikmet Cetin.

Alatas said that on June 20 he would leave for Tokyo to attend a meeting on the rehabilitation and the reconstruction of Cambodia as a follow-up to the Paris agreement reached last year. Indonesia and France are co-chairman of the Paris agreement on Cambodia.

The Tokyo meeting would discuss recent developments in Cambodia. Alatas was hopeful that the chairman of Khmer Rouge, Khieu Samphan would attend the meeting in Tokyo.

Philippines

Manila Urges ASEAN To Save Cambodian Peace

HK1606051592 Manila PHILIPPINES NEWSDAY in English 16 Jun 92 p 8

[By Arthur I. Bariuad]

[Text] The government is considering moves to get the consensus of all the member-states of the Association of Southeast Asian Nations (ASEAN) to salvage the volatile peace in Cambodia, which is being jeopardized in the face of the refusal of the Khmer Rouge guerrillas to turn over its military wares to the United Nations transitional authority.

In a statement released by the Foreign Office, acting Foreign Secretary Pablo Suarez said the "Philippines is sounding out other ASEAN countries whether it would be timely to issue a joint statement on Cambodia."

According to Suarez, it appeared that the "situation in Cambodia is getting quite serious and might get out of hand."

The United Nations has begun implementing Monday the disarmament phase of the peace accord signed between the four warring Cambodian factions in October last year under the sponsorship of the UN, the United States, France, the six member-states of the ASEAN and some Western powers.

But even as the plan is being implemented prior to the holding of the general election in September this year the peace initiative is being threatened following declarations by the Khmer Rouge faction that it would not disarm its ranks. Aside from its refusal to disarm, the Khmer Rouge guerrillas have also launched a series of attacks on government troops over the past few weeks.

Khmer Rouge President Khieu Samphan said over the weekend that his faction would not cooperate until the UN Transitional Authority in Cambodia (UNTAC), a peacekeeping operations mission in the once embattled Southeast Asian country, verifies reports that Vietnamese troops have left the country.

Vietnam has repeatedly said that it had withddrawn its last troops in September 1989.

The six ASEAN nations, the Philippines, Malaysia, Indonesia, Brunei Darussalam, Singapore, and Thailand—have long been active in seeking lasting peace in the war-ravaged Southeast Asian nation.

Ramos Still Leads in Congress Vote Count

HK1606100992 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 16 Jun 92

[By Ronald Estela]

[Text] The 14-man Congressional Canvassing Committee has counted 86 certificates of canvass [COC's] in the tabulation of votes for president and vice president. This leaves eight COC's which the committee members say they will finish counting tonight.

In the latest update, Fidel Ramos still leads with 5,066,496 votes; followed by Miriam Defensor Santiago with 4,354,127; for a margin of 712,369 votes.

Third is Eduardo Cojuangco with 3,982,563; fourth is Ramon Mitra with 3,116,943; fifth is Mrs. Imelda Marcos with 2,242,382; sixth is Jovito Salonga with 2,158,531; and seventh is Salvador Laurel with 748,751 votes.

In the vice presidential race, Joseph Estrada remains in the lead with 6,530,936; followed by Marcelo Fernan with 4,219,675; for a lead of 2,311,261. Third is Lito Osme$a with 3,192,040; fourth is Ramon Magsaysay Jr. with 2,842,814; fifth is Nene Pimentel with 1,869,867; sixth is Vic Magsaysay with 677,326; and last is Eva Estrada Kalaw with 249,908.

Communist Leader Says Ramos Got Foreign Funds

HK1506091492 Manila PHILIPPINE DAILY INQUIRER in English 14 Jun 92 p 6

[By Irene R. Sino Cruz—italicized passages published in Tagalog]

[Text] Cebu City—Fidel V. Ramos received at least U.S.$800 million as contribution to his campaign funds from foreign sources, a top-ranking communist official claimed Friday night.

Jose Maria Sison, founder of the Communist Party of the Philippines, said Ramos received money from American, Taiwanese and Japanese sources and even from the Christian Democrat International.

Sison, interviewed by a local radio through long-distance telephone, said the contributions were coursed through informal means.

Sison did not say where he obtained the information.

"*My personal assessment is that Ramos was given not less than $800 million,*" Sison said.

"*The money given by the Christian Democrat International, which was coursed through the Jesuits and Oppus Dei, is more visible,*" he said.

He also named business tycoon Jaime Zobel de Agala as Ramos' foremost supporter in the Philippines.

Sison also belittled Ramos' offer of general amnesty to all rebels who will give up their armed struggle.

He said the offer was doubtful and the sincerity (of Ramos) was not clear.

"War is in his blood," Sison said.

However, he did not entirely close the door on possible talks with the government.

He also cited the need of instituting constitutional reforms before any dialog can take place.

The "revolutionary forces" could not accept the new Constitution since it was created by President Aquino's appointees, he pointed out.

Unless the right atmosphere for peace talks is existing, he said, the mass struggle will continue.

He then warned of an intensifield guerrilla warfare facing the Armed Forces of the Philippines even as he noted that Ramos is only a "running dog of the imperialists."

Ramos To Retain Abadia as Armed Forces Chief

HK1506120192 Manila PHILIPPINE DAILY INQUIRER in English 13 Jun 92 pp 1, 14

[By Cynthia D. Balana]

[Excerpt] Presidential front-runner Fidel V. Ramos yesterday said he would retain Gen. Lisandro Abadia as Armed Forces chief of staff because of the officer's good performance.

Ramos, who attended the traditional vin d'honneur hosted by President Aquino for foreign and local diplomats in Malacanang, said he found no problem in Abadia's handling of the military establishment.

"I have no reason to complain about (Abadia)," Ramos told Malacanang reporters. "Well, I've said it before-...It's not an issue."

Abadia, whose term was not co-terminus with Ms. Aquino's, has said he was giving the next president a free hand to name to the post someone who enjoyed his confidence.

Ramos said other military men and civilian officials who have been performing well need not worry about being replaced should he become president.

"I said before that my policy would be to expect that everybody will do his job," Ramos said. "And those who did a good job should not be apprehensive about anything."

Also expected to be retained under a Ramos administration were Defense Secretary Renato S. de Villa and Public Works and Highways Secretary Jose de Jesus, although the DPWH [Department of Public Works and Highways] chief may be offered a different post.

Ramos also denied having a rift with other top military officials and even promised to reach out to those who did not vote for him.

At the same time, Ramos claimed he was "not worried" about reports that three Israeli explosive experts have arrived in the country to mount a Gandhi-style assassination plot against him.

Sources from the Lakas-NUCD [Strength—National Union of Christian Democrats] earlier said a losing presidential candidate has advanced P5 million [Philippine pesos] to the hired killers, but both De Villa and Abadia have denied receiving a report about such a plot.

The sources said the plot was part of one "Big Bang Project" that involved 16 generals, which Abadia has also since denied.

"As you can see, I have no security men around me except for Mrs Ramos," he joked, adding that his wife was "enough security" for him.

But sources from the Lakas-NUCD said they have put up additional security measures in case the reports proved correct. [passage omitted]

Army Offensive Against NPA in Misamis Oriental

HK1506095792 Manila MANILA BULLETIN in English 13 Jun 92 pp 1, 21

[By Mike Crismundo]

[Text] Gingoog City—Government forces have launched a massive offensive against New People's Army (NPA) guerrillas in the mountains of Misamis Oriental where at least eight persons have already been killed, three of them Army troopers, and 27 others, including 12 troopers, were reportedly wounded.

Involved in the military operations were the 4th Infantry Division under Brig. Gen. Quintin Alcudia, two Army battalions of the 403rd Infantry Brigade, the 30th Infantry Battalion of the 402nd Infantry Brigade, and helicopter gunships and warplanes of the Philippine Air Force's 15th Strike Wing and 205th Helicopter Wing.

The latest gun battle occurred at Matampa, Salay town, Misamis Oriental, where at least 90 families had reportedly been evacuated to safer ground for fear of being caught in the crossfire.

Field reports said that the NPA rebels staged at least 20 attacks against government troops in Matampa area, forcing field unit commanders to widen their anti-insurgency operations.

The operations have lasted for two weeks but the Army higher command could not confirm the number of NPA casualties in the absence of the "body count" which is the basis for reporting casualties.

Maj. Alberto Pabaquiao, 4th Infantry Division spokesman said that the information on the number of NPA casualties came only from field intelligence units.

As this developed, more combat soldiers backed by armored vehicles and tanks from neighboring provinces and helicopter gunships were being dispatched to the battle areas to support the ground troops, Army sources said.

The same sources said that the NPAs were armed with machineguns, mortars and high-powered rifles and combat weapons.

The military operations have lasted for almost one month against the CPP [Communist Party of the Philippines]-NPA Northern Mindanao Commission regional guerrilla fighters and there has been no letup in the fighting, a local official here said.

Ramos Says Ex-NPA Leader Promises Assistance

HK1506084392 Manila PHILIPPINE DAILY INQUIRER in English 14 Jun 92 pp 1, 8

[Text] Presidential front-runner Fidel V. Ramos yesterday said Bernabe Buscayno, former New People's Army [NPA] supremo, has promised to help his administration in promoting rural cooperatives.

"We agreed we must look to the future and I am encouraged by his (Buscayno's) show of willing support," Ramos told newsmen after speaking before a multi-sectoral conference sponsored by the Philippine Chamber of Commerce and Industry in Makati.

The conference will present the incoming administration with programs, plans or policies which businessmen consider "immediately actionable."

In his speech, Ramos said he valued the recommendations of the private sector "in getting my administration into good working order."

Aside from giving support to programs and groups that promote "people empowerment," Ramos said his administration will also accelerate the development of the country's energy resources with the help of the private sector.

"It will be quite natural to expect that private initiative will assume more of the ownership of the energy-generating capacity and support the restructuring and privatization of the National Power Corp.," Ramos said.

Ramos said he met Buscayno, popularly known as "Kumander [Commander] Dante," last Monday and asked the NPA founder to help his emerging administration. The meeting, he said, was arranged by Rep. Jose Yap of Tarlac.

Ramos said he wanted Buscayno to help his administration by going around the countryside and explaining the concept of co-operatives.

Buscayno was captured in August 1976, and freed from prison in 1986 when President Aquino was swept to power. He set up a farm cooperative in Tarlac which became the country's "model cooperative."

Although he was close to the President's late husband, Sen. Benigno Aquino, Buscayno chose to support Speaker Ramon V. Mitra during the last presidential campaign, citing Ramos' role in the implementation of martial law.

Asked how Buscayno planned to help a Ramos administration when he had supported his rival candidate, Ramos said the elections are "a thing of the past."

Ramos said the former rebel leader would be very useful, especially in areas affected by the insurgency movement.

Buscayno's success with cooperatives will show to the communist rebels that instead of the armed struggle, "there is an alternative by way of peaceful development," he said.

Buscayno, he said, would be a very credible "model" to rebels who wish to surrender.

Ramos said his administration's [as published] peace efforts with both leftist and rightist rebels "have never stopped," but stressed that hostilities should first cease before any formal talks can be held.

"I am not into peace talks as if the other side is another government that you have to deal with as a belligerent," Ramos said.

He said the Communist Party of the Philippines should renounce armed struggle and recognize that "they are all Filipinos under one government which is this one and there is one Constitution and set of laws we must respect."

Last week, Ramos said he wanted to open "doors and even windows" to military rebels, communist insurgents, and Muslim secessionists.

He offered amnesty, upon approval of Congress, to rebels who would renounce violence and support national development.

The putschist Reform the Armed Forces Movement, according to renegade Lt. Col. Billy Bibit, favors the amnesty proposal but would first monitor the Ramos administration before deciding to accept the offer.

On the political opposition, Ramos said he would only agree to meet with rival candidates like Eduardo Cojuangco Jr. if there are "favorable signs that cooperation will result from the meetings."

Meetings with them are still being worked out "at the lower level through intermediaries," he said.

On Friday, the rebellion case of former Senator Juan Ponce Enrile will be heard.

Jailed Rebel Asks Ramos for Unconditional Pardon

HK1206131992 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 12 Jun 92

[Text] A detained rebel general is asking presidential frontrunner Fidel Ramos to grant an unconditional pardon to rebel soldiers who participated in coups against the Aquino administration.

Brigadier General Edgardo Abenina, who led the 1989 rebellion in Cebu, said this is the only way the new administration can achieve real peace.

Abenina said that until conditions are removed for the granting of pardons to rebel soldiers, they will not come out of hiding to surrender.

At the same time, he denied that he or his group has any plan to prevent Ramos' proclamation as the new president.

Armed Forces Not To Readmit Honasan, Others

HK1606052292 Manila DIYARYO FILIPINO in Tagalog 16 Jun 92 p 1

[By Ernesto Reyes]

[Text] General Lisandro Abadia, chief of the Armed Forces of the Philippines [AFP], said former Colonel Gregorio "Gringo" Honasan and other top leaders of the Revolutionary Nationalist Alliance-Soldiers of the Filipino People [RAM-KSP] will no longer be readmitted to the service.

Speaking at the weekly Maynila [Restaurant] Coffee Forum at the Manila Hotel, Abadia said the military has identified those to be readmitted to the service: those who did not become "headaches" when they joined RAM-KSP.

Nevertheless, he said, the military will leave it up to Fidel Ramos, President Corazon Aquino's apparent successor, to choose who to readmit and exclude from the servive.

"It is a mixture. There are those who are still young, but cannot be returned to the service like Honasan because their disease is already serious," he said.

He indicated that retirement would be a better option for Honasan, Domingo Calajate, Oscar Abenina, and Alexander Noble than rejoining the military.

Abadia said he will submit to the next administration the complete amnesty program for all rebel groups.

He said amnesty is the key to resolving the insurgency problem and that he will support the new administration's effort to legislate the program.

Air Force Officer Gets 4 Years for Rebellion

HK1506115492 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 15 Jun 92

[By Francis Calado]

[Text] Former Philippine Air Force Major Liel Tugbang has been sentenced to four years' imprisonment for rebellion, murder, and frustrated murder.

Tugbang led the rebel forces that occupied the domestic airport during the December 1989 coup.

I found that Major Tugbang was elected vice mayor in one town in Iloilo City.

According to Judge Jaime Salazar of the Quezon City Regional Trial Court, the decision had just been handed down.

Judge Salazar also wrote the decision that found former General Felix Brawner innocent of rebellion. He is the same judge handling the case of former Senator Juan Ponce Enrile and former Colonel Billy Bibit.

[Begin Salazar recording] The case of Billy Bibit has been submitted for decision last week and I am now studying it. Promulgation of the decision in the Billy Bibit case will be on 20 July, in the morning. Four others are involved in the case. [end recording]

That was Judge Jaime Salazar of the Quezon City Regional Trial Court.

He said thorough consultation among all sectors of society, including the legislature, is needed to ensure that any decision of the chief executive will enjoy wide support.

"We are in favor of giving amnesty to all groups. In fact, we are dealing harmoniously with top communist rebels now in government," Abadia stressed.

He also believes Ramos will improve the rural economy to eliminate the roots of insurgency.

Aquino, Estanislao Debate Success of Land Reform

HK1606053292 Manila PHILIPPINES NEWSDAY in English 16 Jun 92 p 4

[By Dionisio Tabiosa]

[Text] President Aquino yesterday said the effects of the government's Comprehensive Agrarian Reform Program (CARP) were now "irreversible," and that the "signs of its success are clear."

But her finance manager, Finance Secretary Jesus Estanislao, said donor countries were "disappointed" over the non-realization of the "ambitious targets" of the program in terms of actual land distribution to farmer beneficiaries.

Mrs Aquino's remarks were made on the occasion of the 4th anniversary of the Comprehensive Agrarian Reform Law (CARL), the law which created the CARP—the so-called centerpiece program of the government—and set its implementation in motion.

"Even if the implementation of the Philippine Comprehensive Agrarian Reform Program is still to be completed, already, signs of its success are clear. We must also keep in mind that it is perhaps the first of its kind to evolve with least trials and travails under a democracy. For at every step of the way, we heed the wise counsel of the history of land tenancy in the Philippines, as well as the broadest spectrum of our citizenry," Mrs Aquino said in her message during the 4th anniversary of the CARL.

"We made the Comprehensive Agrarian Reform irreversible. In less than four years, almost two million hectares or 20 percent were distributed to more than one million farmers and their families. We have passed the hurdle of political will. We have begun to master and muster the political skill to see it through," she added.

However, Estanislao who was in Malacanang yesterday, said the disappointment expressed by donor countries resulted from targets set by the Department of Agrarian Reform (DAR) which could be termed as "too ambitious." He said that the new Congress "has to rethink the entire CARP program based on its original objectives and now in view of the Local Government Code."

He said the local government units are given lots of power on land classification and the set of lands that are for CARP "may not all be there depending on the preference of LGUs [Local Government Units]...rethinking would lead you to a much realistic target."

Estanislao also stressed the need to streamline the land valuation process which contributed to the circuitous transfer of papers from one agency to another.

Agrarian Reform Secreetary Benjamin Leong disclosed that land has been transferred to 1,042,309 qualified farmer-beneficiaries.

"By agency accomplishment, the DAR distributed 1,003,087 million hectares of private agricultural lands and resettlement areas or 73 percent of 1,373,441 hectares for the period," Leong said through a statement to Palace reporters.

Leong added that some 965,215 hectares of public lands under the Free Patent Law and Integrated Social Forestry (ISF) program were distributed by the Department of Environment and Natural Resources (DENR). This comprised 62 percent of the target for the period.

The DAR also revealed that for the same period, the CARP implementing agencies undertook various projects on livelihood, as well as infrastructural and institutional development.

In addition, some 17 Agro-Industrial Development Area (AIDA) projects valued at P797.96 million [Philippine pesos] were initially launched by the DAR for 5,264 farmer-beneficiaries. Seven more are scheduled for launching.

CARP implementing agencies complement land distribution with support services, like credit, road networks and water management, and other services vital to make the farmers effective managers.

Thailand

New Cabinet Sworn In; Policy Statement Next Week

BK1606034592 Bangkok BANGKOK POST in English 16 Jun 92 p 1

[Text] Promotion of people's rights and press freedom will be highlighted by Prime Minister Anan Panyarachun's administration in a policy statement to Parliament next Monday.

Premier Anan and his 25-member Cabinet were sworn in before His Majesty the King at the palace yesterday.

They vowed to be loyal to the monarch and to perform their duty honestly and justly for the benefit of the country and people and to abide by the Constitution.

His Majesty told Mr Anan and his team that their administration is rather special because it has come into office when the country needs people who are ready to make sacrifices to restore peace and stability.

He said that an oath of allegiance is meant to lift the morale of those taking it so they perform their duty earnestly and honestly.

The task of the Government, he said, is to rule the country to bring about stability and prosperity.

His Majesty urged the Prime Minister and Cabinet ministers to keep their word, which should serve as a guideline in performing their duty. He wished them success in this task.

The swearing-in was held around 4.50 p.m. after which Mr Anan had an audience with His Majesty.

Mr Anan said he told His Majesty of the country's situation but declined to elaborate to reporters.

The Premier said he had completed the policy statement draft which, he said, "is the shortest policy statement ever written."

He said the draft statement to be finalised at his first Cabinet meeting today will highlight election preparation, promotion of people's rights and freedoms, freedom of the Press to provide correct information, drought relief, stabilisation of prices for agricultural products and peace.

Abuses of human rights and distortion of information, particularly by state-controlled electronic media during the May 17-20 events, have become subject to much debate and controversy.

The Prime Minister said his policy will also emphasise national unity and reconciliation.

Because of the interim nature of his administrationtion, Mr Anan said he will not have time to travel abroad to improve Thailand's image, but will make use of international news media and foreign chambers of commerce based in Thailand.

Turning to the re-emergence of several right wing militant groups, Mr Anan said:

"It is time for all parties to set aside their emotions to reduce the political temperature."

Citing the easing of political tension after the May 17-20 events, he said Thailand is not Yugoslavia.

He urged all coalition parties to solve their differences peacefully.

A source close to House Speaker Athit Urairat said yesterday that technically Mr Anan's administration could remain in office for seven months until a new elected government is set up.

He pointed out that there are four months before the constitutional amendments come into force.

They spend one month in the Government's hands before being submitted to His Majesty and another 90 days in the hands of His Majesty before being countersigned.

The source said the four amendments drafted will be promulgated separately, with the one requiring the premier to be an elected MP being the last to be enacted.

Parliament Secretary General Phaichit Phipatanakun said debate on the statement will be carried live on radio and television. The draft will be sent to Parliament by the Government on Thursday.

Dr Athit said earlier that the Government would have been able to present its policy statement to Parliament on Friday if copies of the statement were available today.

The Speaker, who also serves as President of Parliament, said that by law the Government must give senators and representatives at least three days to read the statement and to prepare for the debate.

He wants the debate held quickly to enable the Government to assume office and start functioning.

Defense Minister May Dissolve Key Commands

BK1606035392 Bangkok BANGKOK POST in English 16 Jun 92 p 3

[Text] Defence Minister Banchop Bunnak yesterday confirmed that MPs might make a move in Parliament to dissolve the Capital Security Command.

Gen Banchop said he will consider whether the Capital Security Command, commanded by Army commander-in-chief Gen Itsaraphong Nunphakdi, and the Internal Peacekeeping Council, commanded by Supreme Commander Air Force Commander-in-chief AC M [Air Chief Marshal] Kaset Rotchananin, should continue to exist.

Asked to respond to the people's demand for a major "purge" of the top brass who were responsible for the deaths of pro-democracy people last month, Gen Banchop said: "Let's take it easy and take our time (over this matter.)"

Military Role in Key Enterprises To Be Reviewed

BK1606040392 Bangkok THE NATION in English 16 Jun 92 p A1

[Text] Communications Minister Nukun Prachuapmo yesterday vowed to review the role of military leaders in state enterprises, particularly those in his jurisdiction, with emphasis on efficiency and operating results.

Nukun, the communications minister in the previous Anan administration set up after the Feb 23, 1991 coup, said changes will be carried out on a "case-by-case basis".

This means efficient state enterprises with military top brass at the helm will not be affected while the ones with dismal performances will be.

Nukun said if the operating results of state enterprises are not good, such as those reporting "regressive results", the agencies will come under scrutiny since such results indicate inefficiency. In these cases, the boards of directors and top management will have to be reevaluated.

Thai Airways International (THAI) which has come under severe criticism from within and outside the

organization for alleged corruption and instances of abuse of power, is one of the state enterprises under Nukun's jurisdiction. The latest onslaught is focussed on ACM [Air Chief Marshal] Kaset Rotchananin, the air force chief and supreme commander, who is chairman of the THAI board.

THAI sources last week released information on the lease of a luxury executive jetliner planned for use by senior bosses, reportedly including Kaset and former premier Suchinda Khraprayun who was forced to resign abruptly following the May bloodshed.

In addition to THAI, several other state enterprises have senior military officials as chairman of the board.

Gen Itsaraphong Nunphakdi, the embattled army chief, is chairman of the Telephone Organization of Thailand [TOT], while ACM Anan Kalintha is chairman of the Communications Authority of Thailand.

The board of the State Railway of Thailand is chaired by Gen Wimon Wongwanit, deputy supreme commander.

ACM Suthep Thepparak is chairman of Aeronautical Radio of Thailand Co; Wichit Karunyawanit, Port Authority of Thailand; ADM [Admiral] Han Sakunpanit, Thai Maritime Navigation; Gen Sakan Sathitutakan, Transport Co.

All these state enterprises are in the jurisdiction of the Communications Ministry.

There has also been frequent criticism of military intervention at TOT, which is chaired by Itsaraphong. Previously, the military had a strong say in important projects, like the Bangkok telephone expansion project awarded to Telecom Asia Co.

Like THAI, TOT employees have periodically issued unsigned statements attacking the top management and the board.

During the last three years of Kaset's stint at the helm of the THAI board, there have been reports of corruption in procurement projects, particularly in the purchases of new aircraft and engines and a land plot for the construction of a crew centre.

The airline is also said to have delayed introduction of services to Cambodia to help Bangkok Airways Co.

During 1990/91 operations, the airline reported net profits of Bt5 billion, a large portion of which came from the sale of six Shorts aircraft and three Airbus B4 jetliners. However actual operating results were not as good as the previous year.

The airline has already announced that its results for 1991/92 will be below its projection of Bt 5.17 billion.

Critics said it has become a tradition for the Army to control the Telephone Organization of Thailand, the Navy, the Ports Authority of Thailand and the Air Force, Thai Airways International, the Communications Authority of Thailand and the Airports Authority of Thailand. "National security" has been cited to justify this control.

The critics charged that generals chairing state enterprise boards often treat their duties at the government-run firms as a secondary job or a sinecure. For example, Gen Itsaraphong has rarely shown up at TOT board meetings since he was appointed army chief earlier this year.

A more serious problem, according to the critics, is the tendency of state enterprise military supervisors to become closely associated with business people.

The clear line of command in the military establishment is said to have allowed business lobbyists to establish firm connections with soldiers, often before the latter rise to powerful positions.

Writer Outlines Plan of Action for Anan

BK1606044792 Bangkok THE NATION in English 16 Jun 92 p A6

["Comment" by Nophakhun Limsamanphun]

[Text] Thailand is fortunate to have Anan Panyarachun back as interim prime minister at this critical juncture, even for a short tenure of 3-4 months (which could be further extended to up to 7 months). The prime minister has at least three important things to do during his brief but crucial stay.

On the top of the list, he should remove a still potentially-disastrous time bomb—the possibility of another coup by the current leadership of the armed forces. "Divide and conquer" remains the best guarantee against military leaders stepping over the line. The upcoming annual military reshuffle, which falls in October, is an opportune time to reorganize the top echelons of the armed forces.

This task must be carried out with extreme caution and tact so as to avoid sounding a siren in the barracks. One "wishful" scenario would be seconding both ACM [Air Chief Marshal] Kaset Rotchananin and army chief Gen Itsaraphong Nunphakdi to non-commanding posts. The post of permanent secretary of the Defence Ministry, which will be vacated by Gen Wanchai Ruemgtrakun who is going to retire this October, is a suitable slot for either ACM Kaset or Gen Itsaraphong.

Second, the curriculum of the Chulachomklao Royal Military Academy should be overhauled to the extent that its future graduates will be "cultured" to appreciate the principles of democracy. Understanding and respecting basic human rights must figure prominently in the overhaul of the curriculum. This will help produce future generations of military leaders who are more in tune with contemporary political values. By achieving this, the often-talked-about dignity of the military institution can be upheld in the long run.

Other reforms are also necessary to reshape the attitudes of soldiers. The military institution and individual soldiers must be helped to achieve more social integration. For example, personnel exchanges with state and private universities involving students and teaching staff and with large private corporations should be encouraged.

Finally, most important on the PM's agenda should be the launching of nationwide democracy campaign—one that has to be personally led by the premier himself. A liberal democrat, Anan is blessed with charisma and strong personality which will help him in spreading the word about democratic values to all Thai people.

The proposed campaign must be devised in a way that suits the projected tenure of the interim administration (whether 4 or 7 months). It must however, be directed at rural Thais, who form the vast majority that helps elect bad politicians to office. The 30 million or 40 million majority of the population needs a series of effective education sessions to help change their attitude towards the political system and elections.

The rural population must [be] reminded of the brutality committed during the May 17-20 bloodshed and told how they can help put the country back on the right political track. One way to address the rural folk is to hold mobile Cabinet sessions in major provincial cities. This will draw the attention of the mass media and the general public alike. Chiang Mai, Khon Kaen, Hat Yai, and certain provinces in the central region should be the main stages for the prime minister's democracy campaign. A number of smaller provinces in each region of the country could be added to the list of designated places for addresses.

Notwithstanding the time limit of his tenure, Anan could devote an hour or two following each Cabinet session at the designated places to give speeches to the rural public. City halls are appropriate venues for the PR campaign, which should have powerful impact on the thinking of these people, millions of whom are deprived of proper education and of access to information.

Finding ways to attract a large gathering each time a speech is given is the task of PR professionals. Screening the now widely-popular videotapes of the May massacre would be one attraction. This could be preceded or followed by open-air screenings of popular movies of the time. Only down to-earth strategies will work.

Anan should take advantage of the emotional events of May to help the majority of the Thai people better understand the importance of their votes. These people must be told that the votes they traditionally offer to bad politicians for free because of reasons of patronage or for a sum of money could lead to another massacre against pro democracy demonstrators if corrupt politicians are re-elected.

Through conscience, good will prevail over evil. And we can only hope that many rural people will begin to rethink their voting practices and will frown upon selling votes to help improve the results of the next election in a way that the more morally-correct candidates and parties will gain majority in the House to form a better government.

The success of the proposed democracy campaign lies in the number of people gathering to listen to the prime minister each time he delivers a speech, and lies in the charismatic power of Anan himself in convincing them. The mass media, particularly TV and radio, must be used to the fullest extent to publicize the prime minister's efforts. His speeches, which should vary in style and approach from one place to another, could be televised live and broadcast on radio. The powerful electronic media as well as the press would multiply the impact of the democracy campaign nationwide.

Anan could deliver up to 16 speeches if his tenure is 4 months (one speech a week to cover all designated places where people from nearby provinces could also come). Transportation should be provided by the government or sponsored by the private sector, which is now all too eager to help out following the tumultuous events of May. If mobile Cabinet meetings are not practical, they could be dropped and the Anan democracy campaign pursued alone.

If the next election turns out in favour of more morally-correct politicians and they are able to form a majority government, and if the current military leadership is no longer around, Thailand can indeed head for longer-term stability and a government that can cater to the real needs of the people.

End to 'Military Intervention System' Urged

BK1606042792 Bangkok THE NATION in English 16 Jun 92 p A6

[Editorial: "60-Year-Old Problem Won't Easily Go Away"]

[Text] One of the top priorities of Defence Minister Gen Banchop Bunnak will be to rebuild the image of the Thai military, shattered in the May bloodbath. His main idea is to "make soidiers behave like soldiers". And though he didn't elaborate on that comment, we understand this to mean stopping illegitimate military intervention in parliamentary politics, among other things.

In fact the military's image was tarnished long before the generals unleashed their soldiers on demonstrators last month. The military has always been part and parcel of Thai politics since Col Phraya Pahon and his military colleagues joined forces with civilian bureaucrats in changing the absolute monarchy of King Rama VII into a constitutional monarchy in the 1932 Revolution. Since then few military leaders have ever really left politicians alone.

Main excuse:

Over the past 60 years, the main excuse of military leaders intervening in politics has been the need to curb corruption among the elected politicians. In the Feb 23 coup in 1991,

one more unusual excuse was put forth: to save Thai democracy from an emerging "parliamentary dictatorship".

It turned out, however, that the coup leaders were themselves not uncorrupted, and what they had in mind would have been worse than a "parliamentary dictatorship" if allowed to develop unopposed. They wanted to institutionalize military domination of parliamentary politics.

The undemocratic Constitution of 1991, which among other things empowered the appointed senators to participate and vote in a censure motion against a prime minister and his Cabinet, was one key part in this scheme. The coup leaders hand-picked 270 people, more than half of them from the military, for senatorships shortly before their formal body, the National Peacekeeping Council, was dissolved. These senators were meant to be the single largest pro-military bloc in Parliament.

At the same time some coup leaders secretly assisted certain parties in the election campaign in the hope that these parties would win enough seats in the 360-member House to form a majority coalition. The pro-military coalition of the now infamous five parties was set up before the polls on March 22. And late on March 22 night [as published], when initial election returns showed that the coalition appeared to have won more than 180 House seats, its leaders rushed to consult with military leaders on the NPKC [National Peace-Keeping Council] inside Air Force Headquarters on how to proceed in forming a new government. They clearly demonstrated their subservience to their military handlers, much to the chagrin of people who wished to see elected politicians play a meaningful role independent of the military.

It is still unclear whether the majority coalition was serious about its initial nomination of Samakkhi Tham party leader Narong Wongwan for the premiership. It must also be asked why it initially passed over Chat Thai party leader ACM [Air Chief Marshal] Sombun Rahong (whose party is the second largest) and turned to nominate Supreme Commander and Army Commander Gen Suchinda Khraprayun after unceremoniously dropping Narong when Narong's nomination came under attack because of US suspicions of his involvement in the drug trade.

However, it was clear that the military leaders, particularly Air Force Commander ACM Kaset Rotchananin and then Deputy Army Commander Gen Itsaraphong Nunphakdi, had a great deal of say in the coalition's decision to nominate Suchinda. Suchinda's resignation from the military to head the new government enabled ACM Kaset to get a promotion to the supreme commander's post and Gen Itsaraphong, Suchinda's brother-in-law, to army commander.

In effect Suchinda and his colleagues in the military systematically consolidated their control of the armed forces and were preparing to wield this power to dominate parliamentary politics through the appointed Senate, the majority coalition and Suchinda's premiership. This was worse than a "parliamentary dictatorship" because Suchinda's control of Parliament was constitutionally sanctioned and backed "2,000 percent" by the military. A "parliamentary dictatorship" by the elected politicians (presumably those in the Chat Thai-led coalition (of Gen Chatchai Chunhawan) and their allied senators would unlikely have had such unquestioning military endorsement.

The May rallies against Suchinda's premiership represented a rebellion of pro-democracy forces against the institutionalization of military control in Thai politics. So far the pro-democracy forces seem to have gained the upper hand, though at the cost of high casualties in the violent crackdown by soldiers.

Suchinda has resigned in disgrace; his colleagues in the top brass are in hot water because of the massacre; the Constitution has been amended to remove its undemocratic features; the majority coalition backing Suchinda failed to have its latest nominee, Sombun, appointed as the new premier, the coalition is breaking apart and some of its constituent parties are disintegrating in the wake of an impending House dissolution; and the country is now under the temporary care of Premier Anan Panyarachun and his highly qualified Cabinet.

Unmistakable signal:

More attention will probably go into debating the constitutionality of the general amnesty and probing the May bloodbath now that the House of Representatives is winding down before the dissolution. But let's bear in mind that the abuse of power by the top generals were merely symptoms of a more complex problem of systematic military intervention in politics.

The military intervention system must be destroyed so that military leaders cannot easily find excuses to try to seize government power by any means again.

Removing a few generals who have blood on their hands will not resolve the 60-year-old problem but it could send an unmistakable signal to the entire military establishment that from now on the illegitimate intervention in politics has its price.

Current State of Political Parties Discussed

BK1506011492 Bangkok THE NATION in English 15 Jun 92 p 3

[Editorial: Among the Parties, Some Frantic Survival Tactics"]

[Text] Several political parties will be looking for new leaders after the impending House dissolution. But not many highly qualified politicians are available for such a tough, unenviable job. Those of a calibre qualifying them for the premiership are scarcer still. This situation may

force parties without a strong leader into merging with large parties headed by figures who have a clear shot at the top job.

Narong Wongwan, the leader of the largest party, Samakkhitham, has had enough of parliamentary politics. He was at first formally nominated for the PM's post by the majority coalition led by his party for the premiership after the March 22 general election. But his nomination came under strong public criticism when Washington publicly confirmed that Narong's visa application to the US had been rejected because of suspicions of his involvement in international drug trafficking. The coalition dropped Narong under mysterious circumstances and turned to endorse ex-army chief Gen Suchinda Khraprayun. Narong seems to realize that he is unlikely to get another nomination to the top government office, and therefore, he had better leave politics altogether.

The second largest party, Chat Thai, has been in disarray since its leader, ACM [Air Chief Marshal] Sombun Rahong, announced his intention to step down last week. Sombun couldn't help but feel spumed when House Speaker Athit Urairat nominated Anan Panyarachun for the premiership even though he had had the firm endorsement of the majority coalition. Sombun, who succeeded deposed premier Gen Chatchai Chunhawan as Chat Thai leader last January, is going to move to Samakkhitham, which he helped found and fund before he was invited to lead Chat Thai.

The Social Action Party apparently will remain under the strong leadership of Montri Phongphanit. But Montri's political future is still uncertain as his appeal against the confiscation of Bt336 million of his assets is pending in court. If the Supreme Court upholds the confiscation on grounds of corruption, Montri will automatically be disqualified from parliamentary politics for life.

The first clear casualty in the majority coalition is the Prachakon Thai Party of Samak Sundarawet. Samak has announced his decision to step down as party leader and to lay off politics for the time being. This could practically lead to the dissolution of his 14-year-old party, which was very popular in Bangkok until the advent of its nemesis, the Phalang Tham Party, in 1988. Some Prachakon Thai veterans may join the Democrat Party and boost the party's efforts to take back some House seats in Bangkok from Palang Dharma. In the March 22 election, Phalang Tham swept 32 of the 35 seats in Bangkok, leaving only two to Prachakon Thai and one to the Democrats.

Another shaky party in the majority coalition is Ratsadon, as its leader Gen Mana Rattanakoset has called it quits. Mana has been at odds with secretary-general Chaiyapak Siriwat.

Also in trouble is the Puangchon Chao Thai Party of Col Phon Ruerngprasertwit—the only MP in his party. Other senior party members want the party back. Phon left the United Democratic Party [UDP] to head Puangchon Chao Thai after Gen Athit Kamlang-ek stepped down and moved to be an adviser to Samakkhitham. One of Phon's options is to return to the UDP. But there is no clear alternative for General Athit, whose presence in Samakkhitham was negligible.

In the four opposition parties however, the optimism is rising, though some of them may also have to look for new leaders.

Gen Chawalit Yongchaiyut of the New Aspiration Party lost a great deal of his lustre when his quest for the premiership was opposed by first Suchinda and later by the majority coalition. Though he is a former army chief, Chawalit failed to dispel the pervasive belief that the military, particularly Suchinda's Class 5, do not want him in power. Chawalit's weak and elusive role during the May crisis further dampened public excitement about him.

Unlike Chawalit, Maj Gen Chamlong Simuang was an active leader in opposing Suchinda's questionable premiership. Chamlong has voluntarily stepped down as Phalang Tham leader and vowed not to seek the premiership for the time being. But he will likely stay with the centrist party and run for re-election in Bangkok. How his party will fair depends very much on his role in the campaign. Over the weekend the party postponed the election of a new party leader to succeed Chamlong to next January.

Democrat party leader Chuan Likphai was slightly burned in his failed attempt to persuade Chat Thai to endorse him for the premiership. But Chuan remains a leading contender for the premiership, especially when compared with Chawalit, because Chuan doesn't carry the political handicap of being an "enemy" of Class 5.

The Solidarity Party and its leader Bunchu Rotchanasatian emerged from the May crisis unscathed. This smallest party in the opposition coalition is reorganizing itself to prepare for the upcoming election. Its main electoral rivals, unfortunately, are New Aspiration and Democrat. Whether these opposition allies will remain friendly to one another during the election campaign remains to be seen.

More movement in these parties will take place next month when Parliament goes into a three-month recess. The party to watch out for now is Chat Thai, where the main question seems to be how to bring Chatchai out of self-imposed political retirement so he can rebuild the party and make it the new core of the next coalition government.

Samakkhi Tham Members Defecting

BK1606051392 Bangkok BANGKOK POST in English 16 Jun 92 pp 1,3

[Text] Members of the Samakkhi Tham Party [STP] in the Northeast yesterday decided to set up a new party to contest the next election.

The MPs said they would approach House Speaker Athit Urairat, the STP member for Chachoengsao, this week to lead the new party.

Those meeting in Khon Kaen included Somsak Khungoen (the owner of the branch office), Sunthon Lisituan, Phinit Chantarasombat, Chaiwat Sapruangthong, Aphichat Halamchiake, Thongpan Promsopha, Prasop Bussarakam and Wirawon Sitthitham.

Sources at the meeting said the MPs were dissatisfied with the political situation and felt they would be hard-pressed to find financial supporters at the next election since most had exhausted their funds during the last election little more than two months ago.

But each agreed they should continue to stay together as a group with Mr Somsak acting as coordinator to form a new political party.

They said Dr Athit had done the right thing in nominating Anan Panyarachun for the premiership as the political situation needed defusing.

The MPs said the STP was "finished" and they had made a mistake in joining the party, which has since destroyed the institution of the party.

The party will hold a party assembly on Friday to elect a new leadership after leader Narong Wongwan announced last week he wanted to quit politics and resign from the senior party post.

A new leadership is also needed because the five-party coalition will be abolished in the light of the expected dissolution of Parliament and new general election.

Deputy party leader Sawatdi Kamprakop said he would move at the assembly that Dr Athit takes over the party secretary-general post from Sqn Ldr [Squadron Leader] Thiti Nakhonthap.

"I don't know if anybody will object but I am proposing him because Dr Athit has done a lot of good for the country in daring to propose Anan Panyarachun as Prime Minister," he said.

"He should have the chance to become a leader of the party." Mr Narong's resignation is being strongly opposed by other senior party members and they have agreed to back his continued leadership Friday.

Party sources said Mr Narong told party MPs last week he wanted to resign as party leader as a sign he accepted responsibility for Dr Athit's decision to defy a party resolution by nominating Anan Panyarachun as premier rather than ACM [Air Chief Marshal] Sombun Rahong.

"He feels he should take all the responsibility for what is happening as he is the one who personally selected Dr Athit for the post. We oppose his decision and will ask him not to resign his post." said a party deputy leader.

Mr Sawatdi, meanwhile, said a new party administrative committee would be elected Friday in an effort to change the party structure.

The alliance of five coalition parties will be abolished in view of the dissolution of the House and coming election.

Agreements binding the five parties will also be annulled, although the parties will retain links through their political friendship, said Mr Sawatdi.

Further cooperation between the parties will be decided later. The STP will no longer consider itself part of any alliance and will perform its duty as a political party in Parliament until Mr Anan dissolves the House, he said.

Mr Sawatdi said he would nominate Dr Athit as party secretary-general because he did not think the House Speaker had broken the party resolution by deciding against supporting Chat Thai Party leader ACM Sombun for premier.

The House Speaker by position must be neutral and not necessarily bound by any party resolution.

The Speaker can do whatever he wants if he thinks it will benefit the majority, he said.

The party deputy leader said he did not think Dr Athit would shrink from his actions by resigning from the STP to avoid the criticisms of his party colleagues.

Mr Sawasdi said he would meet Dr Athit before Friday, and did not think he would resign from the party.

"I think an understanding can still be reached," he said.

Mr Sawasdi said his backing for Dr Athit as secretary-general was not an effort to clean up the negative image that has tainted the party as image was secondary to having a "quality" person as leader of the party.

But party sources say either Sqn Ldr Thiti will retain the position of secretary-general or it will go to Chiang Mai MP Somphong Amonwiwat.

They also said Mr. Narong would be re-elected on Friday at the assembly at Central Plaza Hotel. Senior party members are urging Mr Narong not to leave at a time of political crisis.

"He has agreed not to resign after being asked and during the party's first assembly meeting this Friday he is likely to be re-elected to the top party post," the sources said.

They also said Mr Narong was stunned by Dr Athit's decision to appoint Mr Anan over ACM Sombun as he had not been informed personally of the move.

Further reactions in the party came yesterday when executive committee member Ruengvit Lik announced he had tendered his resignation, but it was rejected by leader Narong Wongwan.

Mr Narong told him party policy dictated against any member leaving the party just now.

Mr Narong said he could not breach this decision and he had just received new information that if any members of the five coalition parties quit their ranks, the Opposition may be able to form a government if there was no dissolution.

Mr Ruengvit said he could not bear to stay in the same party as Dr Athit as he felt he had lied to the party and ACM Sombun about the nomination of the premier.

Dr Athit did not respect the democratic system and his action was taken with "abnormal emotion", he said

Mr Ruengvit said he would contest the next election in the same constituency because he believed people there understood that he did not kill anyone during the May 17-20 pro-democracy events.

He will also stay with Mr Narong whatever party his leader represents.

Mr Sawatdi, meanwhile, said the STP did not totally deny responsibility for the suppression of protesters during May 17-20, but it was a matter of "how much responsibility" the party will have to take.

He asked the people to be fair to the party because it did not know anything about the deployment of soldiers to suppress the demonstrators.

"That is the duty of the Capital Security Command which was operating under the directive of the Internal Peace-keeping Command headed by the Supreme Commander (ACM Kaset Rotchananin).

"We admit to the fact that people were killed by soldiers. But was it totally due to the soldiers or a third hand involved? The House Committee is investigating the facts and when the results are out further action will be taken."

Mr Sawasdi said the coalition had invited Gen Suchinda to become prime minister, but they would not have done so if they knew what would happen.

He also felt Gen Suchinda would not have accepted the position if he knew what would happen.

"We thought everything could be resolved in Parliament and he didn't think there would be such a large protest. The situation occurred so fast that we couldn't follow it in time," he said.

Mr Sawasdi, asked if he supported moves to reduce the power of the Capital Security Command, said the laws would have to be amended for the benefit of the people so "soldiers cannot run around with guns to shoot people".

Riot control must only be done through the use of tear gas, batons and fire trucks. No bullets should be used, he said.

Mr Sawasdi insisted the STP would not break up and only about three MPs would resign.

"I don't think I will show my conscience (by not seeking re-election) because I am running again. I think every one of us will run and the old faces will get re-elected," he said.

Vietnam

Vo Chi Cong Attends Policemen's Get-Together

BK1606081192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 13 Jun 92

[Report on 13 June Hanoi get-together held by the Ministry of Interior for outstanding policemen "on the occasion of the 30th anniversary of President Ho Chi Minh's signing of a decree promulgating a law on the People's Police, 20 July 1962"—portions recorded]

[Summary] "On the morning of 13 June, the Ministry of Interior held a get-together with heroes and outstanding combatants on the occasion of the 30th anniversary of President Ho Chi Minh's signing of a decree promulgating a law on People's Police, 20 July 1962.

"Attending were over 100 comrades representing various heroic units, heroes, and outstanding combatants of the People's Public Security Force [PPSF] throughout the country.

"Comrade Vo Chi Cong, adviser to the party Central Committee and chairman of the Council of State, attended and cordially addressed the participants."

As part of the PPSF, the People's Police was founded since the August 1945 revolution. Throughout the country's glorious past, the People's Police Force has always demonstrated its loyalty to the party and the state and its attachment to the people. It has made significant contributions to the cause of building and defending the fatherland.

The PPSF has been awarded by the state with three Ho Chi Minh Orders. Some 40 units and 38 individuals have received the title "Hero of the Armed Forces" and other high distinctions.

"On behalf of the party and the state, Chairman Vo Chi Cong warmly welcomed delegates from various areas throughout the country to this get-together of outstanding fighters in the cause of maintaining national order and security.

"The chairman extended his best regards to disabled and sick soldiers, families of fallen heroes, families credited with revolutionary deeds, retired comrades, and all other cadres and combatants of the PPSF.

"After commending various combatants of the PPSF for their exploits, the chairman urged everyone to satisfactorily observe this advice of Uncle Ho: When our valuables are lost, we may recover them but when the people's confidence is lost, we can hardly regain it. As for upcoming tasks, Chairman Vo Chi Cong said:

[Begin Vo Chi Cong recording] "Dear comrades: The present and future tasks of our country's revolution are

very heavy. The enemy is carrying out its peaceful evolution scheme aimed at eliminating the socialist regime in Vietnam. As a result, now more than ever before, the People's Police Force is required to...." [passage indistinct] [end recording]

Vo Van Kiet Views Hai Hung's Development

BK1506133292 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 13 Jun 92

[Text] On 13 June in Hanoi, Vo Van Kiet, chairman of the Council of Ministers; and Phan Van Khai, vice chairman of the Council of Ministers standing body, had a working session with the comrade members of the Hai Hung Provincial Party Committee and standing bodies of the Hai Hung Provincial People's Council and people's committee to discuss the local socioeconomic development orientations until the year 1995.

After being briefed by the comrade local leading officials and by representatives of the ministries concerned on the socioeconomic situation in Hai Hung over the past years, as well as on the key objectives to be fulfilled until the year 1995 and measures to organize implementation, Chairman Vo Van Kiet acknowledged the important progress made by Hai Hung in all aspects and contributed many open-minded, practical suggestions as to how the province can effectively exploit its potential and strengths to make its set goals come true.

He also acknowledged the support provided by the various central sectors in the form of investment in communications, water conservancy, and energy to help Hai Hung quickly overcome difficulties and effectively bring into full play its potential and strengths in the days ahead.

Part 3 of Nguyen Duc Binh's Report Viewed

BK1306123192 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 10 Jun 92

[Report on the main contents of Part 3 of an orientation report by Political Bureau member Nguyen Duc Binh at a conference on theoretical work organized by the party Central Committee Secretariat; place and date not given—read by announcer]

[Text] In Part 3, dealing with the major guidelines for theoretical work in our country, Comrade Nguyen Duc Binh said there are three major guidelines for theoretical work:

First, we should be fully aware of the revolutionary and scientific character of Marxism-Leninism and Ho Chi Minh's thought. We should try to successfully harmonize the scientific and party character, as well as the scientific and the political character while carrying out theoretical work. According to Comrade Nguyen Duc Binh, we seem to have maintained political and theoretical harmony for a long time, especially during the national democratic revolution.

In the socialist revolution, scientific theoretical work and politics for socialist construction are organically related. But this is not always so. Socialist construction is very complex and its relations are intertwined and diverse. Therefore, in theorical work, we must, at varying degrees, go through many analytical and integrating activities before we can create a scientific basis for our political decisions. Identifying politics with scientific theoretical work is very disastrous, both scientifically and politically.

Next, in his reorientation report, Comrade Nguyen Duc Binh points out our mistakes in identifying politics with theoretical work since 1975, until we realized and firmly grasped those guidelines to harmonize the characters mentioned above as outlined in a resolution of the Political Bureau. Comrade Nguyen Duc Binh asserted:

Our party should use scientific theory as a basis for its political line. Theory is truly scientific if it can ensure a correct political line for the party. Both these two requirements are equally important, especially during the current complex stage.

After carefully analyzing the relations between the theoretical work and the scientific characters of the theses of Marxist, Engels, and Lenin, Comrade Nguyen Duc Binh criticized the idea of depoliticizing Marxism, saying the demand for the separation of Marxism from politics is totally erroneous.

The second guideline in Comrade Nguyen Duc Binh's report is the linkage between theory and practice, present needs with long-term tasks, and basic studies with applied studies. One of the basic principles of Marxism-Leninism is to achieve a harmony between theory and practice, regarding this as a basic watchword for theory, the report says. He then points out the gap between theory and practice in our country previously. He says that it has been gradually overcome since the sixth party congress. After the seventh party congress, it has been narrowed and this has created confidence among the entire party and people.

To ensure closer attachment between theory and practice, the report affirms: In theoretical work, it is necessary to give up speculation—namely explaining one concept by using another and demonstrating one theory by using another in a round-about manner. Truism is impossible to attain in this way. It is necessary to review realties because this is a fundamental principle in theoretical work.

The renovation in our country in the socioeconomic domain as well as the reforms in the former Soviet Union following its collapse and that of other East European countries, should be studied by those in charge of theoretical work. This is so that they can learn from it and serve our revolutionary undertaking.

The third guideline is to democratize theoretical work. After citing the limits of theory and Marxism, its characteristics and their close relations, the comrade said that since the sixth party congress, theoretical activities

in our country have been carried out more democratically. This has been clearly reflected in the deliberation of various draft documents of the seventh party congress. However, there are still many things to be discussed on this issue.

Those working on ideology should learn and listen to the views of one another and the masses. As for theoretical work, especially for the revolutionary theory now being discussed and for theoretical cadres and party members, democracy cannot be separated from the party character. In study and discussion, it is necessary ensure maximum ideological freedom. However, we should base ourselves on the objectives and the path already chosen by the party and the people, and on the many resolutions adopted by the party.

Leaders should learn to listen to their subordinates. This is more so for the leaders in scientific matters. They should adopt a scientific attitude in providing leadership on scientific matters. There is no reason for one to demand democracy, while he fails to respect the democractic liberties of others. In scientific discussions or debates, sometimes a new idea may open a promising course of action. Sometimes a counter-question may compel a speaker to review widely accepted conclusions. If no one has any answers to a difficult question, it would be good if someone comes up with a bold idea that warrants consideration. His view may have many flaws, but if it has some good points, we should consider it.

After that, Comrade Nguyen Duc Binh's orientation report also emphasizes: In the philosophy and science of Marxism-Leninism, there cannot be many schools with the same line of thinking. Although there are Marxist and non-Marxist schools, it is impossible to find any differing schools on genuine Marxism. Marxism does not lie beyond or on the border. It has developed in the middle of mankind's ideological flow. It is a crystalization of all of man's ideologies. Therefore, the attitude to be adopted by those in charge of theoretical work in our country has been outlined in a resolution of the Political Bureau as follows: As for doctrines other than Marxism-Leninism on social matters, they should be studied objectively and dialectically.

Japanese Companies Sign Contracts, Join Oil Rush

BK1406040092 Hong Kong AFP in English 0328 GMT 14 Jun 92

[By Andrew Sherry]

[text] Hanoi, June 14 (AFP)—Japanese companies have plunged headfirst into Vietnam's oil rush since the start of the year despite the lingering U.S. economic embargo.

The first signed contract came June 4, when Japan's Arabian Oil Co. (AOC) and Teikoku Oil Co. agreed with Petrovietnam on a production-sharing deal giving them rights to a promising concession off Vietnam's southern coast.

Groups led or backed by Japanese firms have at least four more production-sharing contracts in the pipeline, and they dominate the short list of groups selected to develop Vietnam's potentially largest oil field Dai Hung.

The contracts, worth hundreds of millions of dollars, could vault Japan into the top ranks of foreign investors in Vietnam by the end of the year, up from ninth at the start.

Though Tokyo never officially observed the U.S. economic embargo against Vietnam, Japanese companies had kept a low profile here to avoid antagonizing Japan's most important ally.

"Their government asked them not to be visible while the American embargo was in place," a Western oil company executive said.

"That stopped by tacit agreement between the Japanese Government and the companies when the U.S. renewed the embargo (in September) last year."

What changed was Cambodia, which Vietnam had invaded in 1978, triggering civil war. Last October Hanoi co-signed a Cambodian peace treaty, removing the principle irritant to relations with Tokyo.

Washington pressed on with its embargo due to a bilateral issue—the fate of missing American servicemen—but its Asian allies quietly rolled back official and unofficial restrictions with dealing with Vietnam.

While Tokyo insists it does not dictate to private companies, businessmen took notice when Tokyo opened talks with Hanoi in January on the resumption of official development assistance (ODA) suspended since 1978.

"We have already announced that we will resume ODA, and that means we do not obey the U.S. embargo. The private sector is encouraged by that," a Japanese diplomatic source said.

As Japanese companies moved into Vietnam, the Japan National Oil Co., which belongs to the Ministry of International Trade and Industry, pledged to finance Japanese oil exploration projects here, the source said.

The changes have come none too soon for Japanese companies, who are already importing at least 80 percent of Vietnam's crude oil and want to get involved in production of the vital commodity.

The biggest prize on offer is the Dai Hung (Big Bear) oil field off the southern coast, where the Vietnamese-Russian joint venture Vietsovpetro has already found oil and only needs a partner to pump it out.

The first round of bidding on the project, which one participant estimated was worth 1.8 billion dollars, took place in February. Last week Petrovietnam informed five groups that they had made the short list—three of which are led by Japanese trading houses.

The three groups are Nissho Iwai Corp. with Japanese Petroleum Export Corp. (JAPEX) and Indonesia Petroleum

Ltd.; Marubeni Corp. with Norsk-Hydro A.S. of Norway and Canadian Occidental Petroleum Corp.; and Sumitomo Corp. with Total of France, industry sources say.

The two other contenders for the field, estimated to hold upwards of 400,000 barrels of oil, are a South Korean consortium and a group led by Australia's BHP Petroleum.

Vietnam has also allotted nine highly prospective exploration blocks near Dai Hung and Bach Ho since the start of the year, as U.S. industry leaders such as Mobil Oil Corp.—which discovered Bach Ho in 1975—watch from the sidelines.

Groups led or backed by Japanese firms have landed four of the concessions. In addition to the AOC-Teikoku contract for block 5-3, a group comprising Total of France, Japan's Marubeni Corp. and Norway's Norsk Hydro A.S. is expected to sign soon for block 11-2, the sources say.

C. Itoh and Co. teamed with British oil company Lasmo Plc. have reached a preliminary agreement for block 4-2, while Mitsubishi Corp. is said to have reached a similar accord for block 15-2.

Japanese firms are also present off Vietnam's northern coast, where Sumitomo Corp. last year backed Total's unsuccessful bid to find oil. Now Idemitsu will explore an adjoining block, 102, under a deal due to be signed this month, the sources said.

Japanese firms are virtually assured of a role in building Vietnam's first oil refinery, once the one-billion-dollar project gets off the back burner. Even the two non-Japanese contenders—Royal Dutch Shell and Total—are backed by Mitsubishi and Sumitomo, respectively.

Investment Opportunities Explored

BK1506140092 Hanoi Voice of Vietnam in English 1000 GMT 13 Jun 92

[Text] Japan has reportedly set up a committee to study opportunities for investment in several areas in Vietnam. KYODO News Agency has quoted officials of a Japanese committee as saying that 26 Vietnamese companies covering mainly supplies, food, and credit will have representatives on this committee. This Japanese committee will invest in business and food processing in Vietnam and help the country improve infrastructure, including the production of electricity and seaport and airport facilities.

British, Norwegian Firms To Explore for Oil

BK1506142192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 11 Jun 92

[Text] At the Government House in Hanoi recently, Comrade Ho Sy Thoang, director general of the Vietnam Oil and Gas Corporation [Petrovietnam]; Mr. (Mealow Hamer), representative of the British Petroleum [BP] Company; and Mr. (Buer), director of the Norwegian oil exploration company Statoil, signed a contract on exploration and exploitation of oil and natural gas in Vietnam's continental shelf.

Under the contract, the BP and Statoil companies will make a 100 percent investment in the exploration at their own risk during a six-year period. If oil and gas is found, it will be shared by both sides at the mutually agreed upon rates. BP and Statoil won the contract in the recent bid offered to international oil and gas corporations to explore for oil in areas of Vietnam's continental shelf. This is the second production-sharing contract signed between Vietnam and BP and Statoil companies, and it is the 15th joint venture that Petrovietnam has signed with foreign oil companies since the promulgation of the law on foreign investment in Vietnam.

Attending the signing ceremony were representatives from the Council of Ministers Office, agencies concerned, British ambassador to Vietnam Peter Williams, and representatives of the BP and Statoil companies.

UK Willing To Cooperate in Oil, Gas Services

BK1506104792 Hanoi Voice of Vietnam in English 1000 GMT 12 Jun 92

[Text] Britain is willing to cooperate with Vietnam in the field of oil and gas services, finance, and technology transfer, said Mr. (John Dale), head of the mission of the British Overveas Trade Board, during his recent visit to Vietnam.

According to him, in the not-too-far-distant future, the seaside town of Vung Tau and Ho Chi Minh City will become a major center for oil services because the southern continental shelf will certainly be the country's biggest oil producer.

In this field, Mr. (Dale) said, British companies have much experience in the supply of oil services. In the immediate future, the British oil services company of Britain, (OFO), will work in Vietnam, he said.